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# Automotive News

Detroit, February 23, 1981



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### AN census shows attrition is worst since the year Studebaker folded

# 1,607 U. S.-line dealerships vanish in 1980

By John K. Teahen Jr.
Managing Editor

Added to the many problems of the auto industry in 1980 was a startling decline in the number of dealerships handling domestic makes of passenger cars.

The annual AUTOMOTIVE NEWS census found 21,772 outlets in operation on Jan. 1 of this year, a decline of 1,607 from the 23,379 counted at the beginning of 1980.

The 1979 loss was 672 dealerships, and 1978's was only 96.

The 1981 drop was the steepest since 1966 when 1,856 establishments departed. But 1966 is one of those years that is marked with an asterisk in the record books—it saw the end of Studebaker as an auto maker and some 1,300 of the 1,856 were Studebaker outlets.

Except for that situation, the 1980 downturn was the worst since 1958, which saw a loss of 2,111 outlets.

The 1980 dip was severe for each of the Big Three (if the domestic auto industry still has a "Big Three").

Chrysler Corp. suffered a dip of 596 car dealers, which was 13.5 percent of its total, and Ford Motor Co.'s fall was 553, a slip of 8.5 percent. The General Motors drop was 365 outlets, 3.2 percent.

American Motors fared better, going down 38 outlets. AMC also increased its dualing with GM-Ford-Chrysler stores, so the AMC contribution to the industry's decline was really greater than 38. When AMC adds a dual, it does not increase the industry's count. There are fewer AMC-only points than there were a year ago.

**U. S. CAR OUTLETS**

| | Jan. 1, 1981 | Jan. 1, 1980 |
|---|---|---|
| American Motors | 1,663 | 1,701 |
| Chrysler Corp. | 3,823 | 4,419 |
| Ford Motor Co. | 5,961 | 6,514 |
| General Motors | 11,060 | 11,425 |
| TOTALS | 22,507 | 24,059 |
| Minus Intercorporate Duals | 735 | 680 |
| NET OUTLETS | 21,772 | 23,379 |

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• The aggregate loss for the four companies was 1,552 outlets. A change in the number of intercorporate duals raised the overall falloff to 1,607.

All figures in this article and in the accompanying tables refer to the net change in the dealership population, both for the individual corporations and car lines and for the industry as a whole.

That means that a lot more than 1,607 domestic dealerships left the business last year, since some of those departing were replaced by the manufacturers. The 1,607 is the number which faded away and had not been replaced at the end of 1980.

Imports are much maligned in the domestic industry these days, but import franchises probably kept the 1980 dealership decline from being even worse. An estimated 12,000 of the 21,779 domestic outlets also carry an import, and the foreign-car portion of the business may well have helped some of them keep their heads above water.

Last year was the 25th con-


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## Spying on Ranger

***First look at Ford's '82½ mini-truck***

Here's an early look at Ford's new Ranger mini-pickup, which will replace the Toyo Kogyo-built Courier as a mid-1982 model. The rear-drive Ranger, to be built at Ford's Louisville truck plant, will be offered initially with a Ford four-cylinder engine and four-speed transmission. An optional Toyo Kogyo diesel and five-speed gearbox, as well as a 4WD version, will be added later. The Ranger will debut six months after GM's S-10 mini-pickup is introduced.

# Reagan tax cut-budget plan contains goodies for Detroit

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—The auto industry got a large measure of what it wanted in the first phase of President Reagan's proposed tax cuts and budget reductions.

But it did not get special treatment in terms of tax credits made refundable to help firms that are losing money, or separate treatment for special tools, or the extension of energy tax credits to cover equipment for making more-fuel-efficient cars. Nor did the industry get any reduction in the corporate tax rate.

Wiped out from the budget are the entire electric and hybrid car programs along with the Stirling and Brayton engine programs. The cooperative Auto Research Program, a shared program dealing with basic research, was also scrubbed.

Other areas of interest tangentially affecting the auto industry are cuts being proposed in federal highway aid, mass transit, synthetic fuels, alcohol fuels, vocational education, highway safety programs and changes in unemployment benefits and trade readjustment assistance.

Further recommendations from the White House are expected by March 10. These follow earlier actions involving a 60-day freeze on pending and new regulations that barely touched the auto industry.

But two administrative initiatives did—one from the Transportation Department stalling passive restraints on 1982 large cars while the entire questions of air bags and automatic belts is reconsidered, and one from EPA to reconsider noise standards for garbage trucks.

• The President's comprehensive economic program includes a three-year program to reduce personal income taxes by 30 percent (starting July 1, 1981), an Accelerated Cost Recovery System for business (a variation of the popular 10-5-3 bill with wide support in Congress), a "new" commitment to stable monetary policy and wide cuts in the budget to reduce the fiscal '82 budget by $41.4 billion.

Another $6 billion is expected to be lopped off when full details of the fiscal '82 and '83 budgets are sent to Congress in March. These do not include another $2.0 billion in fees being returned to the users and $5.7 billion in cuts in off-budget outlays.

Separate and in addition to taxes and budget items is the Reagan Administration plan to get a handle on regulation. Specifically noted in one fact sheet is that "at least five Federal agencies directly regulate the auto industry and these five agencies are now considering more than 50 significant new auto rules."

The recovery of investment or what can be written off taxes is the approach taken by the new Administration to spur recovery of business.

The three-year class includes autos and light trucks and machinery and equipment used for R&D — an item which should improve vehicle sales for com-


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# breaking news

### More aluminum usage due at GM

DETROIT.—General Motors will be using an aluminum tailpipe on some 1982 Chevrolet trucks, according to sources. Also, there will be aluminum cross supports in GM's S-10 mini-pickup truck due to arrive in 1982. One supplier, Reynolds Metals Co., has developed a new aluminum alloy for automotive body sheet applications. According to sources, the alloy will be used in some Oldsmobile inner and outer hoods and will be introduced soon as a running change, replacing current aluminum and steel hoods.

### New Ford due in Brazil

SAO PAULO, Brazil.—A new Ford model, known as "Del Rey," will go into production in Brazil in May. The body shell was designed and engineered by Chausson Carrosserie


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# Hard times set mood at SAE show

By Roger Rowand
Engineering Editor

Hard times, such as those in which the industry finds itself today, normally bring two reactions at industrial shows, conventions and seminars.

One: Attendance doesn't skyrocket. Two: A lean, down-to-earth, value-for-the-money ambience becomes apparent.

That is expected to hold true this week as the Society of Automotive Engineers' International Congress and Exposition runs its course at Detroit's riverfront Cobo Hall.

Attendance should be in the range of 30,000 compared with registered attendance in 1980 of 30,548. It should be a no-nonsense crowd although one tinged, to be sure, with the usual hail-fellow-well-met approach that's the usual at such affairs.

No segment of the automotive industry is exempt from problems in these times, and one would be hard put to find any segment not eager for some of the technological treasure to be found at any SAE Show—and this year's in particular.

Internationalism is the overriding theme of the show even as it probably is the most important overriding factor in the automotive world at large.

SAE has designated 1981 as an international year. That means technical sessions and educational exhibits have been beefed up with material from Europe and Japan. Also, exhibition material from U. S. firms has more international flavor than in some other years.

The auto industry has been an international one for decades, of course, and for years the SAE has given internationalism the recognition it deserves. With an official designation, however, the international flavor gains a bit of formality and added attention.

In the realm of international business, few firms can hold a candle to General Motors, and that company's new president, F. James McDonald, will be the speaker at the sold-out banquet.

The Wednesday night banquet


Continued on Page 45, Col. 5

**Ford offers plan; Chrysler, AMC extend theirs**

# GM touches off round of rebates

By Joseph Bohn
Marketing Editor

General Motors ended several weeks of rumor in announcing a fairly extensive consumer rebate of $500 and $700 on '81 small and medium-sized cars.

The cars involved have accounted for almost 50 percent of GM's total calendar year-to-date sales.

GM's action triggered a round of reciprocal moves by domestic competitors.

Ford announced its own 10 percent price reduction, or rebate program, which replaces a $300-$400 cash incentive on car lines involved, if dealers opt for it. However, Ford's previously announced Fiesta, truck and salesperson incentive programs all continue, along with the new rebates.

Meanwhile, American Motors and Chrysler Corp. both announced extensions of their previous price reduction and rebate program, respectively.

All in all, Detroit is giving away quite a chunk of cash to move merchandise. And, if no strong spring upturn develops, they could see a sales falloff after March, when the new programs end.

Under the GM program, being promoted as "Let's Get America Rolling" in corporate advertising (and backed by divisional ads), a customer must take delivery of the rebate-eligible vehicle during the Feb. 18-March 19 period to get the discount.

Cars ordered, but not delivered, during the rebate period don't qualify for the factory program.

Essentially, customers get $700 rebates on Chevrolet Camaro and Monte Carlo, Pontiac Firebird and Grand Prix, Oldsmobile Cutlass Supreme and Buick Regal.

GM pays $400 of that and dealers $300 to make up the $700.

Additionally, the program provides $500 rebates on Chevrolet Chevette, Pontiac Phoenix, Oldsmobile Omega and Buick Skylark. Again, the factory pays $300 of the cost, the dealers $200.

However, on any orders written prior to Feb. 18, where a customer takes delivery during the rebate period, the factory picks up the full cost of the rebate, a GM spokesman said.

Thus, dealers who participate in the rebate program are price-protected.

GM's spokesman expected the majority of company dealers to participate. Competitive pressures are likely to leave dealers little choice.

NADA said the GM and Ford rebate programs will stimulate sales in a market that has been extremely price resistant.

NADA President Wendell H. Miller said, however, that dealers are upset about the rebate programs' requirement that dealers assume part of the rebates' cost, particularly since dealers already took a substantial reduction in dealer markup at the time of new-model introduction and many dealers are in a precarious financial position because of continuing inflation and abnormally high interest rates.

Because of dealers' cash flow problems, Miller said, dealers also are unhappy that they have to put the manufacturers' share of the rebates up front if the rebate is used for a downpayment.

GM fleet buyers will get the GM portion of the discounts, i.e., $400 on mid-size and $300 on smaller models.

GM's program covers only '81

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***Premier Laser produced in Australia***

**The first regular production front-wheel-drive Ford Laser was given an international welcome when it rolled off the assembly line at Ford Australia's Homebush assembly plant in Sydney. Production start-up marks the successful completion of a $13.1 million retooling program at the facility. The Laser goes on sale in late March.**

**118,686 total is lowest for period since 1961**

# Feb. 1-10 new-car sales slump

By Jenny L. King
Staff Writer

Early February domestic new-car sales dipped 7.69 percent to their lowest total since the 118,686 units sold back in 1961. Feb. 1-10, sales this year numbered 135,554, down from last year's 146,847.

Ford Motor Co. and Volkswagen of America reported sales increases for the period, while General Motors, Chrysler Corp. and American Motors suffered setbacks.

Ford sales were up 25.97 percent, to 35,294 from 28,018 last year. VWoA reported sales of 3,345 U. S.-built Rabbits, up 72.25 percent from 1,942. Ford attributed its success to the "excellent consumer benefits of our new incentive programs."

**DOMESTIC SALES**

| | Feb. 1, 1981 | Feb. 1, 1980 |
|---|---|---|
| AMERICAN MOTORS.. | 3,000† | 2,900† |
| Chrysler | 2,218 | 3,712 |
| Imperial | 70 | — |
| Plymouth | 6,496 | 6,386 |
| Dodge | 6,455 | 6,586 |
| CHRYSLER CORP. | 15,241 | 16,684 |
| Ford | 25,439 | 20,446 |
| Mercury | 8,522 | 6,120 |
| Lincoln | 1,333 | 1,452 |
| FORD MOTOR | 35,294 | 28,018 |
| Buick | 11,736 | 17,657 |
| Cadillac | 5,206 | 5,343 |
| Chevrolet | 29,043 | 37,887 |
| Oldsmobile | 21,088 | 23,209 |
| Pontiac | 11,601 | 13,207 |
| GENERAL MOTORS | 78,674 | 97,303 |
| VOLKSWAGEN | 3,345 | 1,942 |
| INDUSTRY TOTAL | 135,554 | 146,847 |

†—Estimate.

GM sales plunged 19.15 percent, to 78,674 from 97,303 a year ago. Chrysler was down 8.65 percent, to 15,241 from 16,684, and estimated AMC sales numbered 3,000, down 3.33 percent from 2,900.

Ford's sales gain was GM's loss in terms of market share. GM slipped to 58.04 percent from 66.26 percent a year ago and Ford climbed to 26.04 percent from 19.08 percent. Chrysler sales accounted for 11.24 percent, down from 11.36 percent; VWoA had 2.47 percent, up from 1.32 percent, and AMC earned 2.21 percent, up from 1.98 percent.

Daily selling rate for the period was 16,944, down 7.69 percent from 18,356. There were eight selling days this year and last.

• Four U. S. makes were up from year-ago levels. Mercury recorded a 39.25-percent increase, Ford was up 24.42 percent, Plymouth was up 1.75 percent and VW was up 72.25 percent.

Chrysler sales fell 40.25 percent and Dodge missed its 1980 mark by 1.99 percent. Lincoln sales were down 8.20 percent.

Buick, GM's most successful division in 1980 in keeping its sales on an even keel, reported the corporation's worst early-February drop. Buick sales were down 33.53 percent from last year; Chevrolet was down 23.26 percent; Pontiac was down 12.16 percent; Oldsmobile was down 9.14 percent, and Cadillac was down 2.56 percent.

Top-selling nameplates for the Feb. 1-10 period were: Ford Escort, 9,080; Chevrolet Chevette, 6,128; Oldsmobile Cutlass Supreme, 6,314; Chevrolet Citation, 5,412, and Oldsmobile Cutlass, 5,327.

Year-to-date sales through Feb. 10 totaled 605,386, down 17.59 percent from 734,586 last year.

**Don't participate, Ford, Chevy alliances urge**

# Rebate plans irk dealer groups

By John A. Russell
New York Staff Writer

NEW YORK. — Strong protests against the General Motors and Ford Motor Co. rebate programs have been lodged by the Ford Dealers Alliance and Chevrolet Dealer Alliance.

The groups urged dealers not to participate, calling the programs not a true factory rebate.

Ed Mullane, president of the Ford Dealers Alliance, in a telegram to Ford Chairman Philip Caldwell, noted that the Ford rebate of 10 percent includes a $200 participation by the dealer.

Such a stipulation would mean that instead of a honest sale, we would end up with a phony program," Mullane said. "In the real world the dealer, out of economic necessity with his markup already cut to the bone, is going to add the $200 back into the deal he negotiates with his customer."

For the Chevrolet dealers, this was also a sore point. Jack Mark, director of the Chevrolet Dealers Alliance, said this represents an additional cost to the dealer and is not a true factory rebate.

The GM program calls for $500 to $700 rebates on selected models with the dealer contributing $200 and $300, respectively.

Mark said this means the cost to the dealer for the vehicle has been increased.

The CDA, in a telegram to both GM and Chevrolet executives, outlined several other objections to the GM program.

The CDA said that the time frame, Feb. 18 to March 19 is not long enough. He noted that any cars ordered during this period, but not delivered, would not be included in the rebate program. The rebate should cover orders during this period, Mark said, and he added that cars ordered before the rebate went into effect and delivered during the rebate period are included in the program.

• The CDA said the factory's theory was to have customers buy out of stock, but on certain models there is little inventory. Also, he said, dealers have been cutting their inventories because of high floor-planning costs, and the rebate program does not address this problem.

Another point the CDA called to the attention of GM was the method of payment to the customers. The CDA feels the check should come directly from GM to the customer within a reasonable amount of time.

But Mark said under the GM program the customer can put the rebate toward the downpayment which will create a negative cash flow situation for the dealer since GM has not said when the dealer would be paid.

He added that the CDA called for the program to cover all cars

Continued on Page 44, Col. 5

**Automatic transaxles, diesel engines ordered**

# Ford to buy more from Toyo Kogyo

By John Hartley
Staff Correspondent

TOKYO.—Ford is to buy more transaxles from Toyo Kogyo, in which it has a 25-percent stake.

The announcement came after John McDougall, executive vice president of International Automotive Operations, and Harold A. Poling, executive vice president of North American Automotive Operations, met Toyo Kogyo executives in Hiroshima.

TK is already supplying manual four-speed transaxles—MTX—to Ford for the Escort and Lynx built in the U. S.

Although based on the design of the GLC transaxle, this unit has very wide ratios and is built in a separate plant.

Industry sources say volume is about 300,000 units a year, about 10 percent lower than the production rate of TK's own transaxle which is also being fitted to the Ford Laser, which is sold in eastern markets.

Under the new deal, TK is to supply an automatic transaxle—ATX—also at about 300,000 units a year, while the two companies are negotiating over a second manual transaxle.

Finally, Ford has asked TK to supply it with diesels in the 1.0 to 2.0-liter (60 to 121-CID) class, a field in which the Japanese company has no experience.

• It has been confirmed that the new MTX will be larger than the Escort unit, so it is presumably intended for one of Ford's cars in the 1.6 to 2.0 liter (97 to 121-CID) class. It has not been confirmed that the MTX will be used in the U. S., and it could in fact be destined for Europe.

However, the ATX will go into production this summer, with deliveries to the U. S. due to start in the autumn. This also is presumably larger than the Escort unit, now made in an ultra-modern plant at Battavi...

In view of this investment, and the fact that TK does not make its own ATXs, this move is surprising. In fact, it is likely that the torque converters, controls and gear sets will be made by JATCO, the company which started off with a Ford license, and in which Ford has a stake until recently. Now the equity is split between Nissan and TK.

Ford's aim in this move is clearly to cut costs and its investment in new plant.

Ford's motives in asking TK to supply small diesels—there is already a deal for TK to supply 2.2-liter (134-CID) units — are also to cut costs.

TK's diesels are all based on designs of Perkins Co., of England, with whom TK has a license. However, TK also supplies Perkins with some diesels.

Currently, TK is making diesels in small volume—about 5,000 a month. So if it is to supply Ford, it will need to invest in a new plant.

# Kelsey acquires engine maker

ROMULUS, Mich. — Kelsey-Hayes Co., a subsidiary of Fruehauf Corp., has acquired Clifford Mfg. Co. of Marlette, Mich.

Clifford produces four-, six- and eight-cylinder engines and engine components for the industrial market and the automotive aftermarket. Ford Motor Co. is its largest customer.

But some holes remain

# Reagan economic plan plays well in Detroit

By Edward Lapham
Financial Editor

Auto industry reaction to President Reagan's economic package last week was generally favorable, although there was less than total enthusiasm in some sectors of the industry.

The President's program, which did not include a tax credit plan for purchase of U. S.-built autos or any mention of other specific industry benefits, was called "constructive" by General Motors Chairman Roger B. Smith, "balanced" by Ford Motor Co. President Donald E. Petersen and "needed" by NADA President Wendell Miller.

Spokesmen for American Motors, Chrysler Corp. and Volkswagen of America said their companies had no immediate public reaction.

Privately, one auto official told AUTOMOTIVE NEWS he thought auto executives would discuss the "missing" programs with Transportation Secretary Drew Lewis, who was due to make a whirlwind tour of Detroit late last week.

"President Reagan presented Congress and the American public with the details of a constructive, comprehensive program for dealing with the twin problems facing our economy—high inflation and economic stagnation," Smith said.

"I think he caught the mood of the country," said Petersen. "We need confidence to get the economy back on track."

NADA's Miller was a bit more specific. "President Reagan's endorsement of the NADA-backed 10-5-3 accelerated depreciation program and the proposed spending cuts should strengthen the economy and boost the automotive industry," he said. He also said NADA supports the budget program and "applauds cutbacks in unnecessary regulations."

Wall Street analysts were generally favorable, although some suggested President Reagan's program did not do enough.

Arthur Davis, Prescott, Ball & Turben auto analyst, said the exclusion of the tax credit and import restrictions was proper.

"If the program had offered a plum to just the auto industry then there is no credibility to supply-side economics," Davis said. "What Reagan has to do is use Nixon-Eisenhower big-stick foreign policy to get the Japanese to increase their local content and/or build plants here."

The UAW will take "great exception" to any reduction in Trade Readjustment Assistance benefits which Reagan recommended be cut by $1.1 billion. In testimony in Washington last Thursday before the House Ways and Means Committee, the union called for a continuance of "adequate funding" and a resumption of training and job search and relocation, which have been suspended since March, 1980.

"Without TRA, the economies

Continued on Page 42, Col. 3

**'Competition' Porsche 928 bows**

Porsche's flagship model, the 928, is available with a new "Competition Package" option for 1981. It features front and rear spoilers, leather seats, forged alloy wheels and sport shock absorbers. The 928 is powered by a 4.5-liter (273-CID) overhead-cam V-8 engine.

# Fiat unveils Turbo Spider at NADA show

LOS ANGELES. — Fiat unveiled its Turbo Spider at the NADA convention here.

The Turbo Spider 2000 is expected to be available at dealers by April 1, according to a spokesman for Fiat Motors of North America.

One unusual aspect is that the Japanese - made turbocharger will be installed at the port of entry rather than at the factory. Fiat executives decided it was simpler and less expensive to install the unit in the U. S. rather than in Italy.

The system will be instaled by Legend Industries, of New York, at the three Fiat ports of Jacksonville, Fla.; Long Beach, Calif., and Wilmington, Del. According to Fiat, the company will build or lease facilities at the ports for the installations.

A Fiat spokesman said installations by Legend Industries will enable quick reactions to demands of the marketplace. The sourcing method will give customers the option of a turbocharger without the customary pipeline delays.

The first delivery to dealers will be in the 1,200 range, according to the Fiat spokesman. Price of the Turbo Spider will be around $13,000.

The unit, manufactured by I.H.I. in Japan, was made to Legend specifications for the Spider. The Fiat spokesman said offerings of six firms were studied before the decision was made to install the units at the port.

Legend did development work for the unit. The company is active in the auto aftermarket, and this is one of its first ventures into the OFM sector.

Fiat noted that the unit will be covered under the standard of Fiat warranty. Legend is now training Fiat service personnel who will train dealership personnel.

The goal in developing the unit was to eliminate turbo lag. It is connected to the Bosch L-Jetronic fuel injection system and develops 6 PSI of pressure.

The turbo unit begins to provide boost at 1,400 RPM and develops peak compressor efficiency of 73 percent at 3,000 RPM while maintaining 60 percent efficiency at 6,000 RPM.

At its peak, the turbocharged engine delivers approximately 120 HP (at 6,000 RPM) and 130 pounds of torque (at 3,600 RPM). According to Fiat this is an 18-percent gain in power.

Legend will be responsible for putting the new Spider through emission and durability tests required by the federal government.

Fiat's turbocharging of the Spider is part of its recent move to stress its sports-car image. The company spokesman noted that once this project is off the ground, there is thought of turbocharging the X 1/9 model.

The car will be sold only in the U. S.

Spiders — even normally aspirated versions—have been developed solely for the U. S. market.

The engine is the standard 2-liter, but the turbo model will be equipped with Pirelli P6 radials and Cromodora alloy wheels. Power windows, leather seats and an automatic transmission will be offered as options.

Dealer incentives stress non-rebate models

# Chevy, Pontiac offer vacation trips

By Joseph Bohn
Marketing Editor

Chevrolet and Pontiac have launched major dealer trip incentives partially designed to help promote sales of models ineligible for rebates.

The divisions are pushing non-rebate cars and trucks by offering double points toward attainment of the trips during a fast-start period that coincides with the General Motors rebate period.

Chevrolet calls its contest "Let's Get America Rolling" (the same as the GM rebate theme). It runs from Feb. 18 to May 24.

The number of trips to be awarded is highly tentative, due to dealers competing in open and grouped competition. But Chevrolet projects that as many as 1,500 of its 5,600 dealers will win one of the three major destination awards.

There is an enrollment fee of $465 for the larger dealers who compete against a total unit objective and a fee of $265 for smaller dealers who compete in groups.

Dealers have a choice of an eight-days/seven night safari in Kenya, Africa, or an eight-day/seven-night Paris trip with a choice of Dublin, Munich, Paris, Amsterdam, etc., as part of the excursion; or seven days/six nights in Maui, Hawaii.

The fast-start double credit period runs from Feb. 18 to March 19, and bonus points are awarded on Impala/Caprice, Malibu, Corvette and all truck sales.

The contest itself is based on a total car/truck combined unit objective.

Dealers can also purchase prize-point certificates for salespeople or "All American holidays" for destinations within the U. S.

• Pontiac's contest is called "Winning Combination." It runs from Feb. 17 to June 3. Eligible units include all 1980 and 1981 cars.

There is a special fast-start emphasis from Feb. 17 to March 18 on 1981 LeMans, Catalina and Bonneville models and the 1980 Sunbird. Dealers selling these cars during this time period get double credit toward completion of their objectives.

Pontiac projects a total of 350 trips being awarded to dealers and 305 to sales managers of winning dealerships.

Dealers compete against objectives (if they're a larger dealer) or in groups for trips of eight days/seven nights to Europe, eight days/seven nights to Hawaii or five days/four nights to Vancouver or Montreal.

The destinations are awarded depending on high achievement over objective. A dealer who hits his objective, for example, may be automatically guaranteed a trip if he's a large dealer. But then, depending on how high he ends up in his zone, he

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# Service gripe program established by VWoA

ENGLEWOOD CLIFFS, N. J. — Volkswagen, Porsche and Audi owners who have unresolvable differences with their dealers in service matters will be able to submit them to binding arbitration under a plan announced by Volkswagen of America.

According to Hans-Joerg Hungerland, general manager, corporate services, the arbitration program, which has already proved successful in eight test areas, will be under the auspices of the Council of Better Business Bureaus in Washington, which coordinates it with the BBBs in dealership communities.

VWoA has tested the program in Minnesota, Des Moines, Milwaukee, Colorado, Houston, Kentucky and in regions of Southern and Northern California. On March 1, VWoA will expand the program to Oregon and Washington.

VWoA joins General Motors Co., Ford Motor Co., and Chrysler Corp. in offering customer third-party arbitration in disputes involving service.

With the addition of the New Orleans metropolitan area, this week, GM has the program in 17 major areas, Ford has programs in seven areas, and Chrysler's program is active in 45 states.

Franz Doerr, VWoA customer assistance manager, said, "Most questions between customers and dealers are settled amicably right in the dealership. But there are times when the two parties reach an impasse and it can be beneficial to have an impartial third party weigh the merits of the arguments."

Under the VWoA plan, when the two parties agree to arbitration, each is given a list of independent area residents from which to select a trained, volunteer arbitrator.

Before going to the final step in the process—binding arbitration—the BBB tries mediation—to get the two to talk out their differences and reach a mutually satisfactory solution. If they say they cannot, the arbitrator makes a ruling by which both parties are bound.

Doerr said VWoA has had

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**Kit car from Hathaway**

The all-fiberglass body of the Hathaway is designed to be built on chassis of Triumphs manufactured from 1954 to 1976. According to the kit manufacturer, neither the stripping of the Triumph nor the assembling of the fiberglass body requires torch cutting or welding. The kit alone is $5,989, fully assembled and trimmed. Hathaways have a base of $17,890, from Hathaway Motor Co., Santee, Calif.

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56th year — No. 4850

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**Attrition worst since the year Studebaker folded**

# U.S.-line dealership total off 1,607

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secutive year that the domestic dealer count has declined. During that period, the total has dived from 41,018 to the current 21,772, a dip of 47 percent.

The most significant thing about those numbers is the continuing drop, not the totals themselves. The industry was vastly different in the mid-1950s. There were more makes of cars, and there thousands of the so-called "mom 'n' pop shops" — the trend toward fewer but larger dealerships hadn't begun.

Also, many feel that the industry was overdealered a quarter-century ago as the result of extensive signings after World War II. Overdealering is not prevalent today—just the opposite.

As bad as 1980 was, there was a bright spot: The fourth quarter of the year was not as awful as the first three.

The industry lost 173 dealerships in the October-December period, following plunges of 258 in the first quarter, a staggering 672 in the second and 504 in the third.

The fourth quarter was the least horrendous of the year for Chrysler and Ford, while AMC showed a slight upturn.

Here are the AUTOMOTIVE NEWS quarterly census figures for 1980:

| | |
|---|---|
| Jan. 1, 1980 | 23,379 |
| April 1, 1980 | 23,121 |
| July 1, 1980 | 22,449 |
| Oct. 1, 1980 | 21,945 |
| Jan. 1, 1981 | 21,772 |

• Franchise totals were down for all GM, Ford Motor and Chrysler Corp. makes.

Biggest dip was at Ford Division, which has 417 fewer car franchises than a year ago. Mercury is off 219, and Lincoln is down 135.

At Chrysler Corp., Chrysler was hardest hit with a loss of 403 points. There were downturns of 311 for Plymouth and 293 for Dodge. Imperial, which rejoined the corporation's family as a separate franchise, had 411 agreements in effect on Jan. 1.

Chevrolet, down 200 franchises, was the biggest loser at GM. Pontiac has 105 fewer points than it had a year ago, and there were dips of 65 apiece for Buick and Oldsmobile and 25 for Cadillac.

Chevrolet has the most franchises, with 5,675. Ford Division is next with 5,070.

In dealership totals, 1980 was an up-and-down year for American Motors, while each quarter saw a downturn for the other three corporations.

AMC added 36 outlets in the first quarter, lost 42 and 43 in the next two periods, then added 11 in the fourth quarter for a net drop of 38. AMC had 1,663 dealers on Jan. 1, compared with 1,701 a year earlier. In 1979, AMC showed a gain of 40 outlets, so it has just two less than it had two years ago.

AMC's duals with GM - Ford-Chrysler rose by the same number that its overall total declined—38. The company has 706 such duals, up from 668 a year ago.

As noted, the rise in AMC's intercorporate duals doesn't enhance the industry's overall dealership total. The point was already in operation before taking on AMC. The company's current total was 706 duals in its highest since July, 1971, when it had 708.

• Chrysler Corp. ended 1980 with 3,823 passenger-car outlets, a drop of 596 from the 4,419 it had a year ago. By quarters, Chrysler's dips were 152-261-135-48. The reduced rate in the fourth quarter is a hopeful sign. The year's loss of 596 followed a 1979 decline of 367.

The corporation's Jan. 1 franchise totals were: Chrysler, 2,668; Plymouth, 2,482; Dodge, 2,351, and Imperial, 411.

In addition to its 3,823 car outlets, Chysler Corp. has 11 that handle only Dodge trucks. They are not included in the corporate car-dealer total or the Dodge car-franchise total.

Ford Motor Co. had a difficult year in every respect—including dealership totals. Its count slipped to 5,961, down 553 from the beginning of 1980. That compares with a loss of 125 in 1979.

By quarters, Ford Motor's 1980 drops were 97-234-181-41. As with Chrysler, the fourth-quarter moderation supplies hope that stability may be returning.

The company's franchise counts at the beginning of this year were Ford, 5,070; Mercury, 2,716, and Lincoln, 1,477.

Ford Motor has 92 dealerships that handle only the company's heavy-duty trucks. They are not included in the corporate car-dealer total or the Ford Division car-franchise total.

At GM, the year's loss of 365 car outlets was 30-155-105-75 on a quarterly basis. GM wound up 1980 with 11,060 car dealers, down from 11,425 a year earlier. In 1979, GM's drop was 140.

Franchise totals on Jan. 1, 1981 were: Chevrolet, 5,675; Oldsmobile, 3,250; Pontiac, 3,115; Buick, 2,985, and Cadillac, 1,605.

### Boston Ford dealer switching to Datsun

BOSTON. — Another Boston-area Ford dealership is closing, but its owner is not giving up the retail auto business.

Richard Goode, who has operated a Ford outlet in Dedham for 25 years, will shift his allegiance to Datsun and be in business with his new line by late March.

## RETAIL OUTLETS

U. S. CARS, 1947-1981

| Date | No. of Retail Outlets | Pct. Gain or Loss from Previous Year |
|---|---|---|
| Jan. 1, 1947 | 45,580 | |
| Jan. 1, 1948 | 46,092 | +1.12 |
| Jan. 1, 1949 | 48,173 | +6.68 |
| Jan. 1, 1950 | 46,821 | −4.78 |
| Jan. 1, 1951 | 47,543 | +1.54 |
| Jan. 1, 1952 | 46,014 | −3.22 |
| Jan. 1, 1953 | 45,191 | −1.79 |
| Jan. 1, 1954 | 41,910 | −7.26 |
| Jan. 1, 1955 | 40,374 | −3.66 |
| Jan. 1, 1956 | 41,018 | +1.60 |
| Jan. 1, 1957 | 37,962 | −7.40 |
| Jan. 1, 1958 | 37,188 | −2.09 |
| Jan. 1, 1959 | 35,077 | −5.68 |
| Jan. 1, 1960 | 33,658 | −4.05 |
| Jan. 1, 1961 | 32,482 | −3.49 |
| Jan. 1, 1962 | 31,331 | −3.54 |
| Jan. 1, 1963 | 30,853 | −1.53 |
| Jan. 1, 1964 | 30,827 | −0.08 |
| Jan. 1, 1965 | 30,691 | −0.44 |
| Jan. 1, 1966 | 30,278 | −1.35 |
| Jan. 1, 1967 | 28,422 | −6.14 |
| Jan. 1, 1968 | 27,784 | −2.24 |
| Jan. 1, 1969 | 27,486 | −1.07 |
| Jan. 1, 1970 | 27,071 | −1.51 |
| Jan. 1, 1971 | 26,126 | −3.49 |
| Jan. 1, 1972 | 25,621 | −1.93 |
| Jan. 1, 1973 | 25,441 | −0.70 |
| Jan. 1, 1974 | 25,349 | −0.36 |
| Jan. 1, 1975 | 24,980 | −1.46 |
| Jan. 1, 1976 | 24,453 | −2.11 |
| Jan. 1, 1977 | 24,268 | −0.76 |
| Jan. 1, 1978 | 24,147 | −0.50 |
| Jan. 1, 1979 | 24,051 | −0.40 |
| Jan. 1, 1980 | 23,379 | −2.79 |
| Jan. 1, 1981 | 21,772 | −6.87 |

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## RETAIL OUTLETS, U. S. MAKES OF PASSENGER CARS
### 1981 VS. 1980

(Estimated by Automotive News)

| | Jan. 1, 1981 | | | | Jan. 1, 1980 | | | |
|---|---|---|---|---|---|---|---|---|
| | Exclusives (within Corp.) | Multiples (within Corp.) | Total Franchises | Net Dealers | Exclusives (within Corp.) | Multiples (within Corp.) | Total Franchises | Net Dealers |
| AMERICAN MOTORS | 1,663 | 0 | 1,663 | 1,663 | 1,701 | 0 | 1,701 | 1,701 |
| CHRYSLER CORP. | 1,153 | 6,759 | 7,912 | 3,823 | 1,346 | 7,162 | 8,508 | 4,419 |
| Chrysler | 0 | 2,668 | 2,668 | | 0 | 3,071 | 3,071 | |
| Dodge | 1,130 | 1,221 | 2,351 | | 1,314 | 1,330 | 2,644 | |
| Imperial | 0 | 411 | 411 | | 0 | 0 | 0 | |
| Plymouth | 23 | 2,459 | 2,482 | | 32 | 2,761 | 2,793 | |
| FORD MOTOR CO. | 3,267 | 5,996 | 9,263 | 5,961 | 3,604 | 6,430 | 10,034 | 6,514 |
| Ford | 3,245 | 1,825 | 5,070 | | 3,578 | 1,909 | 5,487 | |
| Lincoln | 0 | 1,477 | 1,477 | | 0 | 1,812 | 1,812 | |
| Mercury | 22 | 2,694 | 2,716 | | 26 | 2,909 | 2,935 | |
| GENERAL MOTORS | 6,185 | 10,445 | 16,630 | 11,060 | 6,470 | 10,620 | 17,090 | 11,425 |
| Buick | 845 | 2,140 | 2,985 | | 865 | 2,185 | 3,050 | |
| Cadillac | 280 | 1,325 | 1,605 | | 285 | 1,345 | 1,630 | |
| Chevrolet | 3,585 | 2,090 | 5,675 | | 3,785 | 2,090 | 5,875 | |
| Oldsmobile | 725 | 2,525 | 3,250 | | 740 | 2,575 | 3,315 | |
| Pontiac | 750 | 2,365 | 3,115 | | 795 | 2,425 | 3,220 | |
| TOTALS | 12,286 | 23,200 | 35,468 | 22,507 | 13,121 | 24,212 | 37,333 | 24,059 |
| Minus Intercorporate Duals | | | | 735 | | | | 680 |
| NET DEALERS | | | | 21,772 | | | | 23,379 |

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**Soft top for a fastback**

A.H.A. Mfg. Co. Ltd., Mississauga, Ont., now offers the Pony convertible conversion on the Plymouth TC3 and Dodge 024. It is designed to retain the cars' original lines and is fully warranted by A.H.A. There is no loss of seating front and rear and no loss of storage, the company said. A.H.A. said the car can be sold for the same price as a VW Rabbit.

# Ford updates and expands video program for dealers

By Joseph Bohn
Marketing Editor

Ford Motor is planning to update its dealers' video systems with a new video disk that does everything from helping to prescreen and pre-sell customers on product to training service technicians.

About 3,100-3,200 Ford and Lincoln - Mercury dealers now use video tape players that were introduced in 1973.

The new systems have a greater flexibiilty to help qualify customers, for example, on the specific product (car line) they may be interested in and provide detailed information to help sell the product.

Beginning with '82 introductions, there will be special two-minute tapes on each of the company's car lines, specially geared to customers.

Of course, the video disk systems also have a greater flexibility in their function of training sales and service people within dealerships. For example, they have the capability of freezing specific frames that explain complicated service repair procedures, thus allowing technicians to go through a step-by-step learning process.

• The video disk systems are comparable to those already in use by General Motors dealers but have more up-to-date state-of-the-art features, such as a superior memory bank, quicker braking, etc.

The systems, designed by Sony specifically for Ford, will also carry Ford's private name label, rather than the Sony name.

Ford is hopeful that as many as 4,000 dealers will subscribe to the new systems, said James Miller, manager of training and communications department, merchandising office, Ford Division.

The video disk systems will be competitively priced with those at General Motors.

To make them more affordable, Ford is offering a five-year lease option on all the hardware. With the previous video tape units, dealers were required to purchase part of the equipment, a TV and stand and were given the option of leasing only the video tape player itself.

Meanwhile, Ford will sell dealers for $1 the older video tape players they had been leasing. Dealers can still use them to rerun commercials and for other internal purposes since they will own all the older equipment outright.

None of the new tapes being developed by Ford is adaptable to it, however.

# Hard times set no-nonsense mood at SAE show

Continued from Page 1

is a traditional highlight of the society's meeting. All seats are reserved and, as usual, were sold out well in advance.

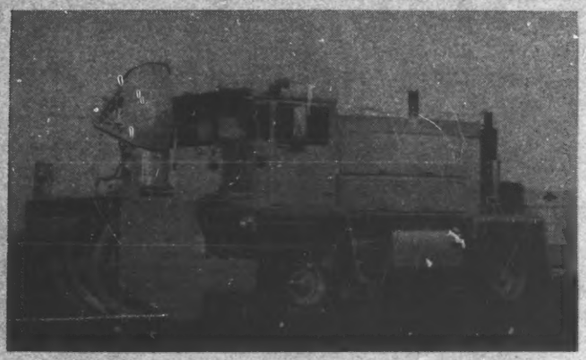
The SAE Show keynote session today, titled The '80s—Decisive Decade for Global Automotive Technology—Are World Cars the Answer? clearly is in tune with the show's theme.

The keynote session will include looks at things from the standpoints of purchasing and manufacturing and from the suppliers' point of view.

Some one-third of the 150 technical sessions at this year's event will be international in subject matter or author participation.

At least 25 percent of the space occupied by the approximately 275 exhibitors will include products and services from countries other than the U. S.

# truck industry news



**New Oshkosh snow blower**

A new generation high-speed rotary snow-removal vehicle being built by Oshkosh Truck Corp. for highway and airport-runway use has an output capacity of 40 tons of snow a minute at 20 MPH. The Model H-2218 chassis is powered by the Detroit Diesel 8.2-liter naturally aspirated engine rated at 165 HP and is equipped with the Allison AT-545 four-speed automatic transmission.

## Non-captive imports, Group 7 units only gainers

# Registrations dip in 1980

Registrations of new trucks of all types in the U. S. in 1980 slumped to their lowest mark since 1975, with losses in all three market segments.

During the year, according to R. L. Polk & Co. statistics, 2,476,777 trucks were registered in the 49 states which report the figures, a decline of 28.7 percent from the previous year's 3,472,209. In 1975, the 12-month total was 2,397,417.

Non-captive imports and Group 7 heavy trucks were the only gainers in 1980, but the increase for the latter is somewhat tainted since it came at the expense of Group 6, which lost significant ground due to reclassification of vehicles previously registered as Group 6 units.

Because of this reclassification and the continued slump in production and sales of recreation vehicles, the medium-truck market was the biggest loser in 1980 from a percentage standpoint.

The 12-month registrations of Groups 4-through-6 trucks totaled only 66,282 units, down 56.3 percent from the year-earlier 151,527.

Reflecting the RV slump, only 203 Group 4 vehicles were registered in the last year, off 95.9 percent from the previous year's 4,942. The Group 6 count dropped 55.6 percent, from 143,724 in 1979 to 63,790. Group 5 had 2,289 tallies, down 20 percent from the year-earlier 2,861.

• Light-truck registrations dropped 28.7 percent, from 3,107,415 in 1979 to 2,217,085, and the count would have been lower had it not been for the increase in non-captive import tallies.

The total for Group 1, where the imports are positioned, was 1,130,942, a decline of 11.3 percent from the previous year's 1,275,531. The light imports were up 14 percent, from 258,003 in 1979 to 294,199. Across the board, the import total was 298,932, a gain of 13.5 percent over the year-earlier 263,322.

Group 2 tallies dropped 39.9 percent to 1,078,067 units, compared with 1,792,546 in 1979. The Group 3 count was only 8,076, a decrease of 79.5 percent from the year-earlier 39,338. The heavy losses were due mainly to the RV slump and the public's reluctance to buy the less fuel-efficient pickups, vans and sports utility vehicles.

Group 7 was the only one of the eight weight classes to show a gain in registrations during the year. The total soared to 79,719 units, an increase of 68.3 percent over the previous year's 47,358.

The Group 8 total was down 31.5 percent, from a record 165,909 units in 1979 to 113,691. It was the lowest count for this group since 1976, when only 91,973 vehicles were registered.

• In the final month of 1980, registrations totaled 191,073 units, a decline of 28.2 percent from the 266,020 tallied in December 1979.

Ford, which was No. 1 in retail truck sales in 1980, also was the winner in registrations. It marked the fourth consecutive year that Ford has been No. 1 in truck tallies.

Over the 12-month span, 784,132 Ford trucks were registered, compared with 737,788 for second-place Chevrolet. Both lost penetration during the year, however.

Ford's share of the industry total dropped from 32.36 percent in 1979 to 31.66 percent, a decline of 0.70 points. Chevrolet's penetration slipped 1.48 points, from 31.27 percent in the previous year to 29.79.

The biggest increase in penetration during the year was scored by the miscellaneous group, which includes the imports. The total for this group was 301,223 units, an increase of 13.5 percent over the year-earlier 265,445.

The miscellaneous group's share of the industry total was up 4.51 percentage points to 12.16 percent, compared with 7.65 percent in 1979.

## Group 7 trucks registered in '80 hit alltime high

Heavy-truck registrations in 1980 dropped below the previous year's record level, but the number of Group 7 vehicles registered during the year soared to an alltime high.

R. L. Polk & Co. reported that 193,410 Groups 7 and 8 trucks were tallied in the last year, a decline of 9.3 percent from the year-earlier 213,267. The Group 7 count, however, was up 68.3 percent, from 47,358 in 1979 to 79,719 last year.

At the start of 1980, Ford,

Continued on Page 40, Col. 1

**U. S. TRUCK REGISTRATIONS**

12 MONTHS, 1980 VS. 1979★

Based on R. L. Polk & Co. statistical report

| | 12 mos., 1980 | Percent Share of '80 market | 12 mos., 1979 | Percent Share of '79 market | Pct. pt. Change, '80-'79 |
|---|---|---|---|---|---|
| Ford | 784,132 | 31.66 | 1,123,605 | 32.36 | − 0.70 |
| Chevrolet | 737,788 | 29.79 | 1,085,855 | 31.27 | − 1.48 |
| Dodge | 228,500 | 9.23 | 352,292 | 10.15 | − 0.92 |
| GMC | 181,252 | 7.32 | 283,329 | 8.16 | − 0.84 |
| Jeep | 81,923 | 3.31 | 145,583 | 4.19 | − 0.88 |
| International | 74,484 | 3.01 | 116,739 | 3.36 | − 0.35 |
| Plymouth* | 28,329 | 1.14 | 19,678 | 0.57 | + 0.57 |
| Mack | 21,743 | 0.88 | 29,265 | 0.84 | + 0.04 |
| Kenworth | 11,165 | 0.45 | 14,902 | 0.43 | + 0.02 |
| Freightliner | 10,465 | 0.42 | 13,636 | 0.39 | + 0.03 |
| Peterbilt | 7,008 | 0.28 | 8,696 | 0.25 | + 0.03 |
| White | 4,974 | 0.20 | 9,151 | 0.26 | − 0.06 |
| Autocar | 1,550 | 0.06 | 2,228 | 0.07 | − 0.01 |
| Western Star | 1,140 | 0.05 | 1,133 | 0.03 | + 0.02 |
| Volvo | 1,006 | 0.04 | 672 | 0.02 | + 0.02 |
| Diamond Reo | ..... | ..... | ..... | ..... | ..... |
| Miscellaneous** | 301,223 | 12.16 | 265,445 | 7.65 | + 4.51 |
| TOTALS | 2,476,777 | 100.00 | 3,472,209 | 100.00 | ..... |

★—No registrations for Oklahoma, 1980 and 1979.
*—Plymouth trucks are Trail Duster utility vehicles and Arrow pickups.
**—Miscellaneous includes Imports, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.
NOTE: 1980 figures include window vans, 1979 totals do not.

**U. S. HEAVY DUTY REGISTRATIONS**

12 MONTHS, 1980 VS. 1979★

Based on R. L. Polk & Co. statistical report

| | 12 mos., 1980 | Percent Share of '80 market | 12 mos., 1979 | Percent Share of '79 market | Pct. Pt. Change, '80-'79 |
|---|---|---|---|---|---|
| Ford | 46,199 | 23.89 | 37,706 | 17.68 | + 6.20 |
| International | 40,180 | 20.78 | 65,894 | 30.91 | −10.13 |
| GMC | 29,058 | 15.02 | 20,366 | 9.55 | + 5.47 |
| Mack | 21,055 | 10.89 | 29,264 | 13.73 | − 2.84 |
| Chevrolet | 16,016 | 8.28 | 6,189 | 2.90 | + 5.38 |
| Kenworth | 11,163 | 5.77 | 14,893 | 6.99 | − 1.22 |
| Freightliner | 10,465 | 5.41 | 13,636 | 6.40 | − 0.99 |
| Peterbilt | 7,008 | 3.62 | 8,698 | 4.08 | − 1.22 |
| White | 4,974 | 2.57 | 9,145 | 4.29 | − 1.72 |
| Autocar | 1,550 | 0.80 | 2,227 | 1.04 | − 0.24 |
| Western Star | 1,140 | 0.59 | 1,133 | 0.53 | + 0.06 |
| Volvo | 1,006 | 0.52 | 672 | 0.32 | + 0.20 |
| Diamond Reo | 95 | 0.05 | ..... | ..... | + 0.05 |
| Miscellaneous | 3,501 | 1.81 | 3,356 | 1.57 | + 0.24 |
| TOTALS | 193,410 | 100.00 | 213,174* | 100.00 | ..... |

★—Groups 7 and 8 trucks only; no registrations for Oklahoma, 1980 and 1979.
*—Breakout of 1979 registrations do not include 88 units registered in Hawaii in December, 1979.

# 1980 was a tough year for most truck points

With sales of new trucks last year down almost 30 percent from 1979 and used trucks soft in many markets throughout the U. S., it isn't surprising that most dealers had a tough time making ends meet in 1980.

A few dealers, according to an Automotive News survey, made more money in 1980 than the previous year, but far more said their profits had slumped drastically and many of them were in the red at the end of the year.

Only 7.35 percent of the survey respondents reported an increase in profits and the majority were in areas least affected by the slump in the economy or whose customers are in thriving industries, like energy-related projects, electronics and aerospace.

The overwhelming majority, 85.3 percent, said their profits were lower in 1980 than the year earlier, while the remainder, another 7.35 percent, reported little or no difference in profits for the two years.

One dealer, who handles the International line in a small Midwest city said he had a profit of about $50,000 in 1979 and end-1980 with a loss of $60,000. He called the outlook for the first six months of 1981 "bad."

• He was just one of many dealers who expect prospects to be grim in the first half. A decline in profits from a year ago is anticipated by 57.4 percent of the survey respondents.

"We'll be lucky to break even," said a Midwest dealer who reported a 70 percent drop in profits in 1980. Another dealer in the same section of the country, who was in the red last year, noted that "a break-even would be an accomplishment."

A first-half improvement is expected by 20.6 percent of the dealers responding to the questionnaire, while the remaining 22 percent look for the six-month results to be about the same as last year.

A Rocky Mountain Ford dealer, who reported his profits were 25 percent higher in 1980, said the six-month outlook is "fair, with profits coming mostly from sales of mid-range diesels."

Commented a Southern-based Chevrolet-GMC-Mercedes dealer who reported a profits increase of 20 percent in 1980: "Any profits (in the first half) will come from used trucks and special allowances on new ones."

A decline in interest rates would help most in turning the market around, the dealers agreed.

"The prime rate must go down to build confidence among truck buyers," said a Northeast GMC dealer who reported that 1980 profits were down 70 percent.

"President Reagan has a golden opportunity to instill confidence in the public," he continued, "but action must come soon

Continued on Page 33, Col. 1

## Firm that woos White reports drop in earnings

SAN FRANCISCO.—Consolidated Freightways, Inc., which recently terminated talks with Daimler-Benz AG over sale of its Freightliner Corp. and then began bidding for most of the U. S. and Canadian truck assets of White Motor Corp., has reported a drop in both earnings and revenues for 1980.

Raymond F. O'Brien, chairman, said net income for the year plunged from $65.9 million in 1979 to $9.8 million, while revenues and sales for the year totaled $1.85 billion, down 4 percent from the year-earlier $1.72 billion.

He blamed the huge drop in net earnings on the recession and high interest rates, as well as a $32 million write-off of its U. S. motor-carrier operating rights resulting from the federal government's deregulation of the trucking industry.

O'Brien noted fourth-quarter volume improvements and a return to profitability by the company's manufacturing units, notably Freightliner. Operating earnings, he said, were the highest of any quarter of the year. Fourth-quarter net income totaled $14.6 million, he added, down from $18.2 million in 1979.

O'Brien said 1980 "proved even more difficult than we had expected, as North American heavy-truck factory sales fell an estimated 41 percent." The company had anticipated a decline of 25 percent.

But he said Freightliner improved its market share during the year, holding the factory-sales decline to 24 percent, from 16,336 units sold in 1979 to 10,724 in 1980.

## Dealer charges IH with fraud in Scout closeout

CAMDEN, N. J.—An exclusive Scout dealer in nearby Hopewell Township has filed suit against International Harvester charging that the company "materially and fraudulently misrepresented its intentions and its activities and facts" relating to its plans to discontinue that vehicle.

The suit, asking for $1 million in damages, interest and costs, was filed in U. S. District Court here by John Montana, individually, and for Montana Motors.

Montana said he entered into an agreement with IH in 1977 to market exclusively the four-wheel drive Scout. Montana Motors was limited to the sale of the Scout, even though other Scout dealers had the right to market other vehicles.

In order to conclude the

Continued on Page 33, Col. 1

**Will export engines in exchange for other components**

# New field for Australian auto firms

By Pedr Davis
Staff Correspondent

MELBOURNE, Australia.—At a time when most auto firms are battling to protect their home markets, the Australian industry is spending heavily to pioneer a new kind of market.

Thanks to an "Export Complementation Scheme" agreed to by the federal government, the industry is geared to export large numbers of engines in exchange for components not produced here.

To this end, Australia-based companies will spend $750 million on expansion plans over the next three years.

The five major manufacturers — General Motors-Holden's Ford, Toyota, Mitsubishi and Nissan—have announced major projects, all based on world-car concepts.

Each firm is to produce components (mainly engines) for use in Australia and in similar vehicles produced by associated firms overseas.

The biggest plan involves a $236 million dollar investment by Holden's to manufacture engines for the new GM world car, the J-car.

Announced last year, the plan takes the local industry into a completely new direction. Holden's sought government approval to offset the value of components exported against imports.

The company successfully argued the case for an equivalent value of components to be shipped here duty-free.

Holden's has since confirmed that it will build 300,000 J-car engines a year, starting in mid-1981. One third will be used in a new locally made car, two thirds will be exported.

Ford has announced that it is converting its V-8 engine plant in Geelong to manufacture a new engine for the replacement Cortina.

The four-cylinder unit can be built in capacities between 1.5 and 2.0 liters and will be suitable for front and rear-wheel drive. Annual production will be 90,000 units, of which about half will be exported. Meanwhile, engines for the new front-drive Laser will be imported from Japan and Taiwan.

Toyota, which has the controlling interest in Australian Motor Industries, is to spend $140 million on a new engine and body component facilities. A new plant will make aluminum cylinder heads, half of which will go to Holden's. The remainder will probably be exported to Japan.

Nissan, too, is to manufacture and export a new front-drive engine at its plant in Clayton, Victoria.

Mitsubishi Motors, which has taken over Chrysler Australia, is committed to a $160 million plan to build new front-drive models in Australia. The South Australian firm expects to export some of the components back to Japan.

**Second-generation dealer**

Robert Franchini signs with Chevrolet to become dealer-operator of Franchini Chevrolet, Inc., Garfield, N. J. At the signing were Julius Franchini, left, whose dealership is in Kearny, N. J., and Gardner Glenn, Chevrolet's Newark zone manager.

## Group 7 trucks registered in '80 hit alltime high

Continued from Page 12

GMC and Chevrolet reclassified many of their trucks that previously were Group 6 vehicles, moving them into Group 7 and causing the total to soar. International Harvester made a similar move in 1979, so Ford and General Motors were playing catchup in 1980.

As a result of the mass reclassification, the number of Group 6 registrations in 1980 plunged 55.6 percent, from a healthy 143,274 units in 1979 to only 63,790.

It was the significant increase in Group 7 tallies which kept the heavy-truck decline in 1980 at a respectable level of less than 10 percent. The Group 8 count was down 31.5 percent, from an alltime high of 165,909 in 1979 to 113,691.

• For the first time in years, International wasn't No. 1 in Groups 7 and 8 registrations. Ford took over leadership in February while IH operations were idle because of a six-month UAW strike which was not settled until April.

Ford had 46,199 heavy-truck tallies during the year, accounting for 23.89 percent of the industry total. Its market share was up 6.20 percentage points, rising from 17.69 percent of the total in 1979, when 37,706 Ford heavies were registered.

At the same time, International's share dropped a whopping 10.13 points during the year, from 30.91 percent of the 1979 total on 65,894 tallies to 20.78 percent in 1980 on 40,180 registrations.

But International was No. 1 in Group 8 registrations with a total of 21,686, compared with 21,055 for Mack and 13,685 for Ford.

Ford was the leader in Group 7 tallies with 32,514 units, while International won runnerup honors with 18,494.

**Trips and merchandise are offered**

# – Datsun, GMC staging incentives

By Joseph Bohn
Marketing Editor

Datsun launched a retail sale trip incentive contest for dealers and sales managers, and GMC Truck & Coach is halfway through a contest on which the division has maintained a low profile.

The Datsun contest is called "Quest for Excellence." It runs from Jan. 21 to April 30. The sales manager's portion runs from Jan. 21 to March 31. And the contest also had a Jan. 21-28 fast start provision.

Essentially, dealerships compete in open or group competition. Group competition dealers (there are about 100 groups) must achieve at least 100 percent of objective to win a trip, and trips go to those that are highest over objective.

The contest covers all '80 and '81 cars and trucks.

Dealers have a choice of 10 days/nine nights in Athens, or nine days/eight nights in Costa del Sol, or nine days/eight nights in Egypt. As an alternative, dealers can take equivalent amounts of merchandise prizes.

Sales managers have a choice of five-day/four-night trips to Vancouver, or five days/four nights in San Francisco or five days/four nights in Washington, D. C. Or they can take equivalent amounts of merchandise prizes.

If a dealership hits its fast-start objective, it is credited with five additional points toward its objective. Also, both dealers and sales managers get five additional points toward their objectives if they hit 60 percent of a separate "Datsun Truck Bucks" contest by Feb. 28.

• The GMC Truck & Coach contest is called "You have got what it takes." It runs from Nov. 1 to April 30, and covers all '80 and '81 trucks.

There are awards for dealers, sales managers and salesmen.

Each dealer has separate sales objectives for light, medium and heavy-duty trucks and can win trips in each of the categories. If a dealer hits all three objectives, he receives a trip to Munich or Hawaii, plus a "marathon of merchandise" plus a recognition award of a Texas Instruments home computer.

The top five dealers, nationally, in the light-duty category win trips and the "marathon of merchandise" prizes.

The top 10 dealers in each competition nationally receive three-day/two-night extensions of their trips to San Francisco/Lake Tahoe, Paris/Switzerland or Japan and Honolulu.

There are other prizes for the top dealer nationally, and the top three dealers in the medium-duty truck category and the heavy-duty truck category.

**Recycling for savings**

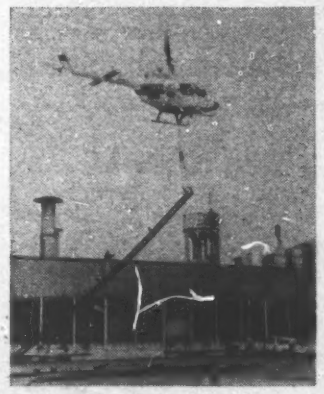
John Richards, right, and Barbara Richards, owners of Richards Chevrolet-Olds, Inc., New Freedom, Pa., discuss the merits of their petroleum recycling program with Clifton E. Disharoon, assistant vice president, Commonwealth National Bank, the organization that financed a $12,000 Dravo Furnace which burns oil drained from cars during maintenance and repairs. The Richards' claim they are heating their 8,400-square-foot facility entirely with recycled oil.

## GM plant funds OK'd for Detroit

WASHINGTON.—The City of Detroit will get its $30 million grant to prepare the site for the General Motors assembly plant on the Detroit-Hamtramck border.

There had been doubt about the funds in view of the Reagan Administration's proposed cutbacks in money for the Urban Development Action Grant program. However the Reagan Administration has approved the grant.

The GM project still faces a court challenge from residents of the Poletown area who will be displaced by the plant. The plant will be built on a 465-acre site, will employ about 6,000 and will assemble Cadillacs.



**Chopper job**

Ford Australia is using helicopters to help install vital equipment at its Sydney-based Homebush assembly plant, where the new FWD Laser is being produced. Ford said helicopters are faster than heavy cranes when raising equipment to rooftops.

## Saab will pay freight to U.S. on tourist cars

ORANGE, Conn. — Saab cars now are available for purchase by American tourists in Europe at savings ranging from $305 for a Saab 900 three-door to $1,705 for the Saab Turbo three-door hatchback and four-door sedan.

In addition, Saab will ship tourist-delivery cars back from Europe free of charge.

This will save a customer about $1,000 in addition to the saving in the purchase price, according to Sten O. Helling, sales and marketing vice president for Saab-Scania of America.

Americans visiting Europe can pick up their new 1981 Saabs in Goteberg, Sweden, without any delivery charges; in Stockholm and Malmo, Sweden; and in major cities in Denmark, Norway, England, Holland, Germany or Switzerland.

For free return shipments to the U. S., cars can be dropped off at a number of cities. They are then shipped from Goteborg, Sweden, or Bremerhaven, Germany, to East, West or Gulf ports, where customs duties and clearance charges are handled by Saab.

The catalytic converter required in the U. S. is retrofitted, free of charge, before return shipment to the U. S.

# world news briefs

### Revised Lada at last?

The overdue Lada 2105—it was originally scheduled for 1979—is expected to make its west European debut this year. It is a revised version of the current model, and not the front-drive, which will probably not appear until 1983.

### French investigate alcohol fuel

In an attempt to reduce the country's dependence on imported oil by up to 50 percent over the next decade, France is to investigate biomass-derived fuels.

### More cutbacks in Belgium

BL has decided to close its Seneffe assembly plant near Mons, Belgium, with the loss of some 2,200 jobs. It follows a factory closure at Brussels by Citroen a few weeks earlier, making 900 people redundant.

### When a Mazda is not a Rolls

Rolls-Royce Motors has been awarded $12,000 damages following an advertising campaign by the Swedish Mazda importer, who described one of its new cars as "the new Rolls in the family." Rolls-Royce zealously protects its reputation by dealing with around 500 trademark infringements each year.

### Audi sales fall . . .

Sales of Audis fell by around 9.1 percent worldwide to 365,500 during 1980. The main drop was in the home country, West Germany, where the decline was by more than 14 percent to 208,900. However, Audi increased investment by nearly a third to $169 million.

### . . . but BMW and Daimler-Benz expand

BMW, the Munich-based car maker, sold 339,000 cars last year, an increase of 1.2 percent over the previous year. And the company that Audi and BMW try to emulate, Daimler-Benz in Stuttgart, reported an improvement in car output of 1.6 percent to 429,000 last year.

### Citroen reaches a diesel milestone

Citroen's factory at Aulnay-sous-Bois has built its 200,000th version of the CX diesel. These engines provide the power for 46 percent of all CX production. The company has also confirmed its trading loss for last year—$167 million.

### Daimler-Benz backs truck ABS

Daimler-Benz is to equip production trucks and buses with the advanced ABS anti-lock braking system. It is believed to be the first truck maker to offer it as original equipment.

### Hanon heads for the top

Bernard Hanon, head of Renault's car division, has been made director general of the company. He is widely tipped as heir-apparent to Chairman Bernard Vernier-Palliez, who is due to retire at the end of the year.

### Cutbacks at Seddon

Seddon Atkinson, the International Harvester subsidiary, has been crippled by the collapse of UK heavy-truck market —down from some 2,700 monthly to 1,600. As a result it is making some 45 percent of its 1,800 workforce redundant.

### Hold-ups for the Japanese in France

Japanese car makers Toyo Kogyo and Daihatsu are reportedly having trouble obtaining type approval for some of their cars in France. Last year, Japanese sales slipped over France's 3 percent limitation. They went over UK agreements too (to 11.9 percent), and JAMA has agreed to "even more prudent" marketing following tallies in Lisbon with the SMMT.

### Fiat's diesels get smaller

Fiat in Italy is expected to introduce a diesel version of its 127 hatchback shortly. This could make it the world's smallest diesel production car.

### Low price Lotus on the way?

Rumors persist that the English specialist car firm Lotus is developing a less-expensive open top two-seater to broaden its range. Engines and transmissions are said to be from Toyota.

## NEW-CAR AND TRUCK REGISTRATIONS OVERSEAS

### UNITED KINGDOM

**Cars**

| | 12 mos., 1980 | 12 mos., 1979 |
|---|---|---|
| Alfa Romeo | 10,219 | 13,638 |
| BL | 275,798 | 336,984 |
| BMW | 13,451 | 14,058 |
| Colt | 10,273 | 10,696 |
| Datsun | 91,893 | 102,395 |
| Fiat Auto | 51,299 | 79,577 |
| Ford | 464,706 | 485,559 |
| General Motors | 133,078 | 140,944 |
| Opel | 22,870 | 27,216 |
| Vauxhall | 109,218 | 112,398 |
| Honda | 22,760 | 17,849 |
| Lada | 13,043 | 22,270 |
| Lotus | 348 | 697 |
| Mazda | 15,370 | 17,770 |
| Mercedes-Benz | 8,876 | 7,914 |
| Peugeot SA | 142,213 | 191,428 |
| Citroen | 27,006 | 34,015 |
| Peugeot | 24,333 | 37,980 |
| Talbot | 90,784 | 119,433 |
| Reliant | 682 | 818 |
| Renault | 88,343 | 93,468 |
| Rolls-Royce/Bentley | 1,315 | 1,347 |
| Saab | 8,073 | 8,976 |
| Skoda | 7,906 | 10,243 |
| Subaru | 3,252 | 3,443 |
| Toyota | 34,167 | 32,220 |
| VW-Audi | 68,285 | 76,288 |
| Volvo | 38,283 | 36,583 |
| Others | 10,128 | 11,110 |
| Total | 1,513,761 | 1,716,275 |

**Trucks, buses**

| | | |
|---|---|---|
| Bedford | 40,971 | 53,566 |
| BL | 59,929 | 69,540 |
| Daf | 1,730 | 2,110 |
| Daihatsu | 2,536 | 1,808 |
| Datsun | 7,554 | 8,165 |
| Dodge | 15,283 | 18,657 |
| ERF | 2,342 | 3,038 |
| Foden | 1,210 | 1,480 |
| Ford | 88,193 | 92,005 |
| Fiat Auto | 1,870 | 1,535 |
| Hestair-Dennis | 512 | 406 |
| Honda | 3,370 | 2,604 |
| IVECO | 2,459 | 3,796 |
| MAN-VW | 5,579 | 6,641 |
| Mazda | 1,751 | 2,977 |
| Mercedes-Benz | 5,110 | 6,241 |
| Mitsubishi | 1,200 | 942 |
| Peugeot | 1,530 | 1,301 |
| Renault | 2,124 | 2,553 |
| Seddon-Atkinson | 3,164 | 4,769 |
| Scania | 1,145 | 1,542 |
| Subaru | 1,229 | 1,110 |
| Toyota | 5,978 | 5,671 |
| Volkswagen | 6,610 | 5,593 |
| Volvo | 3,437 | 4,332 |
| Others | 4,977 | 3,757 |
| Total | 272,011 | 306,365 |
| Total vehicles | 1,785,772 | 2,022,640 |

### WEST GERMANY

**Cars**

| | 12 mos., 1980 | 12 mos., 1979 |
|---|---|---|
| Alfa Romeo | 14,772 | 22,762 |
| BL/Innocenti | 9,034 | 11,696 |
| BMW | 130,928 | 153,923 |
| Daihatsu | 4,454 | 1,235 |
| Datsun | 51,503 | 31,979 |
| Fiat Auto | 87,737 | 97,711 |
| Ford | 252,044 | 311,921 |
| General Motors | 411,076 | 483,328 |
| Honda | 43,051 | 28,693 |
| Lada | 5,962 | 10,641 |
| Mazda | 46,727 | 32,398 |
| Mercedes-Benz | 253,082 | 243,817 |
| Mitsubishi | 41,605 | 20,725 |
| Peugeot SA | 115,655 | 136,414 |
| Citroen | 46,891 | 50,655 |
| Peugeot | 33,328 | 41,208 |
| Talbot | 35,436 | 44,551 |
| Porsche | 10,525 | 12,001 |
| Renault | 113,591 | 129,759 |
| Saab | 2,746 | 2,821 |
| Skoda | 2,262 | 2,216 |
| Suzuki | 5,523 | — |
| Toyota | 58,893 | 32,506 |
| VAG | 736,109 | 827,208 |
| Audi | 209,741 | 246,637 |
| Volkswagen | 526,368 | 580,571 |
| Volvo | 17,065 | 24,997 |
| Others | 3,419 | 2,491 |
| Total | 2,426,187 | 2,623,399 |

### SWEDEN

**Cars**

| | 12 mos., 1980 | 12 mos., 1979 |
|---|---|---|
| Alfa Romeo | 498 | 851 |
| BMW | 2,375 | 3,332 |
| Datsun | 4,968 | 4,501 |
| Fiat Auto | 4,846 | 8,119 |
| Ford | 16,109 | 22,813 |
| General Motors | 18,267 | 22,701 |
| Honda | 4,309 | 8,563 |
| Lada | 3,005 | 3,017 |
| Mazda | 8,392 | 8,563 |
| Mercedes-Benz | 6,263 | 6,671 |
| Peugeot SA | 8,090 | 9,153 |
| Renault | 4,559 | 6,146 |
| Saab | 27,619 | 29,838 |
| Toyota | 8,718 | 5,389 |
| VAG | 22,625 | 24,329 |
| Volvo | 50,547 | 55,780 |
| Others | 1,348 | 1,067 |
| Total | 192,588 | 215,325 |

### ITALY

**Cars**

| | 10 mos., 1980 | 10 mos., 1979 |
|---|---|---|
| Alfa Romeo | 105,935 | 98,622 |
| BL | 38,767 | 37,028 |
| BMW | 27,235 | 17,464 |
| Fiat Auto | 759,477 | 621,726 |
| Ford | 65,359 | 61,066 |
| General Motors | 48,323 | 41,609 |
| Mercedes-Benz | 11,955 | 9,830 |
| Peugeot SA | 168,406 | 155,554 |
| Renault | 157,666 | 118,434 |
| VAG | 74,097 | 59,226 |
| Others | 12,835 | 9,770 |
| Total | 1,470,055 | 1,230,329 |

### FRANCE

**Cars**

| | 10 mos., 1980 | 10 mos., 1979 |
|---|---|---|
| Alfa Romeo | 21,232 | 23,852 |
| BL | 20,844 | 25,474 |
| BMW | 13,377 | 12,520 |
| Citroen | 228,747 | 268,937 |
| Datsun | 15,275 | 10,279 |
| Fiat Auto | 57,931 | 60,442 |
| Ford | 52,041 | 64,978 |
| General Motors | 28,428 | 30,971 |
| Honda | 7,042 | 4,691 |
| Lada | 10,754 | 14,115 |
| Mazda | 11,842 | 9,338 |
| Mercedes-Benz | 11,930 | 10,621 |
| Peugeot | 248,689 | 302,807 |
| Renault | 639,774 | 573,533 |
| Talbot | 99,797 | 141,541 |
| Toyota | 12,090 | 9,534 |
| VAG | 74,191 | 63,134 |
| Volvo | 6,651 | 7,434 |
| Others | 10,710 | 13,094 |
| Total | 1,571,749 | 1,646,976 |

**Trucks, buses**

| | | |
|---|---|---|
| BL | 1,525 | 1,745 |
| CBM | 92 | 98 |
| Citroen | 45,214 | 47,643 |
| Daf | 1,664 | 1,392 |
| Fiat Auto | 7,324 | 5,437 |
| Ford | 8,814 | 8,778 |
| General Motors | 2,322 | 2,642 |
| Mercedes-Benz | 12,002 | 11,924 |
| Peugeot | 41,106 | 42,249 |
| Renault | 87,183 | 83,430 |
| Renault VI | 23,772 | 22,317 |
| Scania | 1,254 | 1,182 |
| Sovam | 83 | 100 |
| Talbot | 8,168 | 8,506 |
| Toyota | 6,827 | 4,868 |
| Unic | 7,726 | 8,166 |
| Volkswagen | 6,395 | 3,485 |
| Volvo | 3,296 | 3,171 |
| Others | 4,757 | 3,829 |
| Total | 269,930 | 261,579 |
| Total vehicles | 1,841,679 | 1,908,555 |

### BRAZIL

**Cars**

| | 10 mos., 1980 | 10 mos., 1979 |
|---|---|---|
| Chrysler | 5,780 | 9,963 |
| Fiat | 95,304 | 85,016 |
| Ford | 99,051 | 107,919 |
| General Motors | 143,699 | 124,080 |
| Puma | 2,150 | 2,818 |
| Volkswagen | 326,229 | 342,055 |
| Others | 302 | 327 |
| Total | 672,515 | 672,178 |

### MEXICO

**Cars**

| | 10 mos., 1980 | 10 mos., 1979 |
|---|---|---|
| American Motors | 17,437 | 16,734 |
| Chrysler | 46,358 | 40,413 |
| Datsun | 30,894 | 31,013 |
| Ford | 29,561 | 28,446 |
| General Motors | 12,500 | 20,926 |
| Renault | 18,099 | 13,533 |
| Volkswagen | 79,785 | 66,718 |
| Total | 234,634 | 217,783 |

### AUSTRIA

**Cars**

| | 9 mos., 1980 | 9 mos., 1979 |
|---|---|---|
| Alfa Romeo | 2,801 | 3,217 |
| BMW | 6,255 | 5,829 |
| Datsun | 8,297 | 4,623 |
| Fiat | 12,024 | 13,518 |
| Ford | 11,952 | 14,487 |
| General Motors | 24,715 | 21,489 |
| Mazda | 9,607 | 7,405 |
| Mercedes-Benz | 5,167 | 5,879 |
| Mitsubishi | 5,538 | 2,224 |
| Peugeot SA | 20,572 | 24,048 |
| Renault | 10,466 | 11,023 |
| Toyota | 8,406 | 4,632 |
| VAG | 40,830 | 35,430 |
| Volvo | 3,425 | 3,375 |
| Others | 7,831 | 6,193 |
| Total | 177,888 | 163,372 |

### FINLAND

**Cars**

| | 9 mos., 1980 | 9 mos., 1979 |
|---|---|---|
| Datsun | 14,582 | 11,128 |
| Fiat | 7,306 | 8,887 |
| Ford | 4,396 | 6,246 |
| Honda | 1,641 | 825 |
| Lada | 7,574 | 8,664 |
| Mazda | 2,579 | 1,887 |
| Mercedes-Benz | 1,986 | 1,561 |
| Mitsubishi | 2,250 | 632 |
| Opel | 3,813 | 4,924 |
| Peugeot | 1,459 | 1,733 |
| Renault | 1,054 | 1,322 |
| Saab | 5,199 | 8,379 |
| Skoda | 3,320 | 2,481 |
| Talbot | 3,454 | 1,004 |
| Toyota | 9,354 | 4,436 |
| Volkswagen | 3,387 | 3,046 |
| Volvo | 4,928 | 5,956 |
| Others | 5,683 | 7,578 |
| Total | 83,965 | 80,689 |

### NIGERIA

**Cars**

| | 5 mos., 1980 | 5 mos., 1979 |
|---|---|---|
| BL | 407 | 295 |
| Datsun | 911 | 2,488 |
| Fiat | 57 | 255 |
| Mazda | 154 | — |
| Mercedes-Benz | 31 | 144 |
| Peugeot | 25,477 | 17,441 |
| Toyota | 48 | 1,224 |
| Volkswagen | 8,963 | 11,134 |
| Volvo | 79 | 341 |
| Others | 5 | 996 |
| Total | 36,132 | 34,318 |

### In the middle

Hennig Gold, a West German professor, has converted a Ford Fiesta to have the driving position in the center of the car. Steering, pedals and instruments have been moved. Gold believes a central driving position will improve overall car control.

**Boosts sales, profit and moves to top in Europe**

# Renault does well in spotty year

Continued from Page 14

tions. First was pure economy and the second—because in most countries it was not possible to drive so quickly—was the pleasure derived from driving a car."

There is no doubt that Renault's reputation for making very economical cars has won it many friends. Pierre Tiberghien, director of research and development, says it is the main reason for the good sales results.

"For 1980 our fleet average fuel consumption—a sort of CAFE rating—will be 7.5 liters per 100 kilometers. That is the best in Europe by about 0.5 liters."

In U. S. miles per gallon, then, Renault's model weighted fleet average was 31.4. According to Renault calculations, its nearest rival was Fiat with an equivalent of 28.7 MPG. (The claims were made before details of VW's new Formula. E packages were known.)

• Now Renault is aiming at a 30 percent improvement by the end of the decade, which would suggest an average in excess of 40 MPG. This will be achieved, according to Tiberghien, by reducing power, reducing weight and improving the drag co-efficients.

Tiberghien heads a department comprising 3,500 personnel and with an annual budget in the region of $40 million. Not all of this effort goes into improving fuel consumption—but all at Renault recognize that it will be an ever-increasing element in future car sales.

"The main thing is to have a justification—and the justification is the cost of oil," explains a Renault executive.

Other reasons for the good results, says Lamirault, were the strengths of the dealer networks and the large, integrated model line up. "The network's capacity to deal with a crisis is better than any others. In 1974-75, when there was a market drop, we went up. It was the same last year," he said.

"Our objective in the EEC in 1981 is to have 14.5 percent. We made 14.4 percent last year." He thinks the European market will sink in the first four to six months, but the remainder of the year will show a slight increase. By the end of the year the company anticipates slightly lower sales than last year.

"The price of oil has an importance," says Lamirault, "but a very significant factor is the cost of borrowing money.

"It plays both ways, on the customer and also on the cash flow for the dealers in their stocks.

"Everywhere the cost of money has doubled in two years. It may be cheaper in Switzerland than in the United Kingdom, but it has doubled."

While Renault keeps a close eye on its dealers' performances, it is still looking at ways of improving its network. It has picked up several key locations as BL shed dealers in the UK and across Europe, and is taking a very close interest in the fusion of the Peugeot and Talbot chains. So has Volkswagen.

"I am just wondering why Opel has not been doing the same," Lamirault said. "The impression I have is that the order has not been coming from Detroit.

"I'm thinking mainly of France, where Opel penetration is very, very low. With the back-up of General Motors we imagined they would have taken more opportunities to make things better."

Certainly Renault has been keeping the customer's attention with a chain of new product launches. The Fuego coupe, diesel versions of the 18 and 20, the 18 Turbo and five-door 5 have all been added within recent months.

There will be a pause now, though it will broaden its well-rounded line by starting to sell American Motors Jeeps in France and Belgium in one year's time. The Jeep, it seems, will be a diesel engine version of the CJ7.

Observers are also left wondering when Renault will have a diesel to compete with the successful Golf and Ritmo models. A Renault executive says: "There may still be problems with small diesels—owners revving them a bit too fast and their life not being quite enough."

In other respects, though, the Renault line-up is neatly dovetailed. From the basic 4 to the top model 20/30, from gasoline to diesels and turbo gasoline models, from sedans to hatchbacks, station wagons and coupes. It has successfully managed to shake its cheap and cheerful image.

"Once upon a time you would never have seen a Renault in the 16th arondissement (the fashionable place to live in Paris). Now every other car is a Renault 5," reports a Renault man.

• It has helped change its image through motor sport. In Europe wins in such prestigious events as Le Mans, Grands Prix and the Monte Carlo Rally add up to as much as an Indianapolis win, a victory in the Super Bowl and a handful of gold medals at the expense of the Russians in the Winter Olympics to U. S. buyers.

In France there is only one sporting event more important to win—the Tour de France cycle race.

And Renault bicycles have won that too!

European sales results by country:

| | 1980 | 1979 |
|---|---|---|
| Austria | 231,000 | 214,000 |
| Belgium | 401,000 | 423,000 |
| France | 1,873,000 | 1,976,000 |
| Holland | 448,000 | 571,000 |
| Italy | 1,720,000 | 1,441,000 |
| Spain | 517,000 | 574,000 |
| Sweden | 192,000 | 215,000 |
| Switzerland | 286,000 | 279,000 |
| United Kingdom | 1,514,000 | 1,716,000 |
| West Germany | 2,432,000 | 2,623,000 |

Market share by group (Common Market plus Spain):

| | Percent share 1980 | Percent share 1979 |
|---|---|---|
| BL | 3.7 | 4.3 |
| Fiat* | 14.2 | 12.8 |
| Ford | 11.3 | 12.1 |
| General Motors | 8.3 | 9.0 |
| Japanese (all) | 8.2 | 6.6 |
| Peugeot SA | 15.3 | 17.7 |
| Renault | 15.8 | 14.0 |
| VAG | 11.9 | 12.2 |
| Total vehicles | 9,107,000 | 9,547,000 |

*Includes Seat

## Hino Diesels to be built by Moroccan company

The Moroccan corporation, Saida, of Casablanca, has concluded an agreement for technical cooperation with Hino Motors, of Tokyo, in which Toyota Motor Co. holds a 9.6-percent interest.

Saida will begin assembly of 5-ton Hino Diesel trucks in short order, at an initial rate of 500 units a year.

***Renault 14***

Renault 14 is a French answer to the Golf-Omni/Horizon-Strada type of car. It is an economical and technically progressive car, the maker says.

***Renault 18 powered by diesel***

Typifying the broad range of automobiles Renault offers which has helped make it the leader in European sales last year is this Renault 18 diesel.

***Making the Rover rarer***

The sky's the limit when Wood & Pickett, of England, begins converting one of Rover's SD1 sedans. Its catalog ranges from turbocharging ($3,450) to chromed wire wheels ($3,000) and walnut fascia ($1,550). Cars are built to customer's individual specifications.

# Plans for UK Nissan plant draws fire from the French

Prime Minister Margaret Thatcher's approval of Nissan's project for an assembly plant in South Wales with capacity for 200,000 cars a year is drawing fire from French sources.

An official communique from the Chambre Syndicale des Constructeurs d'Automobiles (France's equivalent to the MVMA), maintains that the proposed local content of 50 to 60 percent is totally insufficient.

"France's car makers have no objection, in principle, to the production of Japanese cars in Europe, but on condition that they are really produced on equal terms, with a local content of or close to 100 percent," it said.

The communique cites the American example as a model for the Japanese to follow. Ford and General Motors have important parts manufacturing plants in France, but no final assembly of complete vehicles.

According to the terms of Nissan't agreement, there is no linkage between the 200,000 cars to be built in South Wales and the number of built-up cars brought into Europe. The French do not accept an addition of 200,000 Japanese cars to the present import flood, but want them to replace 200,000 built-up Nissans.

In conclusion, the French express their concern over the apparent lack of wisdom in setting up a plant of this type and importance, adding to Europe's overall capacity, at a time when French, Italian and German factories are running short shifts and adding closing days to keep from stockpiling new cars.

"Nissan's implantation in the United Kingdom can only aggravate the difficulties of the European industry. A limit on Japanese car imports is indispensable," the statement insists.

## PRODUCTION OVERSEAS

### FRANCE

**Cars**

| | 11 mos., 1980 | 11 mos., 1979 |
|---|---|---|
| Alpine | 898 | 1,241 |
| Renault | 1,373,524 | 1,285,374 |
| Renault group | 1,374,422 | 1,286,615 |
| Citroen | 497,996 | 631,855 |
| Peugeot | 561,488 | 700,080 |
| Talbot | 273,281 | 344,034 |
| Talbot-Matra | 7,279 | 15,728 |
| PSA group | 1,340,044 | 1,691,697 |
| Total | 2,714,466 | 2,978,312 |

**Trucks, buses**

| | | |
|---|---|---|
| Citroen | 44,130 | 43,833 |
| Peugeot | 116,332 | 100,981 |
| Talbot | 20,901 | 25,663 |
| Talbot-Matra | 1,810 | 321 |
| PSA group | 183,173 | 170,798 |
| Renault auto | 148,756 | 129,690 |
| Renault VI | 48,731 | 40,609 |
| Renault group | 197,487 | 170,299 |
| CBM | 97 | 102 |
| Sovam | 107 | 124 |
| Unic | 16,586 | 17,433 |
| Total | 397,450 | 358,966 |
| Total vehicles | 3,111,916 | 3,337,278 |

### UNITED KINGDOM

**Cars**

| | 12 mos., 1980 | 12 mos., 1979 |
|---|---|---|
| BL | 395,824 | 503,776 |
| Ford | 342,732 | 398,684 |
| Lotus | 364 | 1,040 |
| Reliant | 572 | 884 |
| Rolls-Royce | 3,120 | 3,328 |
| Talbot | 125,320 | 102,960 |
| TVR | 156 | 312 |
| Vauxhall | 55,016 | 58,760 |
| Others | 624 | 676 |
| Total | 923,728 | 1,070,420 |

**Trucks, buses**

| | | |
|---|---|---|
| Bedford | 96,408 | 87,672 |
| BL | 129,636 | 124,644 |
| Dodge | 16,328 | 17,628 |
| ERF | 1,365* | 3,172 |
| Foden | 1,352 | 1,664 |
| Ford | 138,372 | 167,232 |
| Hestair-Dennis | 728 | 572 |
| MCW | 624 | 364 |
| Seddon-Atkinson | 2,964 | 4,732 |
| Others | 936 | 788 |
| Total | 389,168 | 408,460 |
| Total vehicles | 1,312,896 | 1,478,880 |

*9 month figure

### ARGENTINA

**Cars**

| | 11 mos., 1980 | 11 mos., 1979 |
|---|---|---|
| Citroen | — | 9,954 |
| Ford | 70,212 | 52,723 |
| Renault | 56,975 | 38,816 |
| Sevel | 61,376 | 59,336 |
| Volkswagen | 25,592 | 25,718 |
| Total | 214,155 | 186,547 |

**Trucks, buses**

| | | |
|---|---|---|
| Deutz | 119 | 135 |
| Fiat Concord | 722 | 1,501 |
| Ford | 33,919 | 26,030 |
| IME | 2,041 | 8,766 |
| Mercedes-Benz | 9,036 | 8,052 |
| Scania | 755 | 547 |
| Volkswagen | 3,629 | 4,313 |
| Total | 50,221 | 49,344 |
| Total vehicles | 264,376 | 235,891 |

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**Auto makers will be asked to moderate exports**

# Japan-Europe trade deal toothless

By John Hartley
Staff Correspondent

TOKYO. — Japan's booming exports of autos bring many visitors to Tokyo. Recently the European Economic Community delegation and Lane Kirkland, president of the AFL-CIO, were here at the same time. A long-range blast from William Brock, trade representative of the new Reagan Administration came in the same week.

At the end of the week, the Americans felt the EEC had won a few points, the Japanese felt that they had made some concessions, while the EEC leader, Roy Denman, felt Japan had won—and was intent on winning unless forced to do otherwise.

Denman was heading a delegation aimed at warning Japan about excessive exports of cars — especially to Benelux countries and Germany — and color television sets. Just as he arrived, Brock was reported to have said that if Japan agrees to curb exports to the EEC, it will face protectionist measures in the U. S.

This situation caused some embarrassment to the Japanese, who wanted to pretend they knew nothing of the matter, nor of the fact that the U. S. had sent a letter to the EEC Commission about it.

In any event, Kiyoaki Kikuchi, deputy foreign minister, said Japan has accepted it should avoid concentrating on very high shares of certain markets. Therefore, the government would request the auto companies to export in a product manner to Germany and the Benelux countries, he said. He expected that any increase in sales would be "modest."

At the same time, he protested against "unilateral" limits imposed on imports of Japanese cars in France and Italy.

In other words, Japan promised to ask the auto makers to moderate exports—just as it has asked them to moderate exports to the U. S. It was pointed out that these talks were not government-to-government negotiations, but merely exchanges of views.

• When the AFL-CIO's Kirkland heard of the news, he admitted to being puzzled about the difference between Japan-U. S. and Japan-Europe relations when it comes to trade friction, indicating he did not understand the deal between the EEC and Japan.

Like many observers, he assumed this was a hard commitment, whereas it is just a few words—and there is no certainty that one of the auto makers will adhere to it.

In any event, Kirkland laid the blame for Detroit's troubles on bad management, oil prices and import penetration. He also said that despite being free traders at heart, the AFL-CIO had to change its tune with the times.

"OPEC is a complete contradiction of free trade," Kirkland said. "We have been overtaken by events. Steel, glass and auto workers have all been put out of work. Our change of view on free trade has been forced upon us.

"Are we to be the last to go down? I think not. For the most practical reasons, the auto industry should be protected. It should be an element of strength in the U. S. economy."

Kirkland emphasized that one in seven U. S. jobs is related to the auto industry, and that two of every three workers laid off in the crisis were outside the UAW.

He insisted Japanese imports must be limited—but would not give a figure—and that the Reagan Administration will have to respond to the problem in due course.

• Kirkland also said it is time the U. S. government insists that imported products be produced in plants with safety standards similar to those in force domestically.

He cited the example of laws governing asbestos in manufacturing. He claimed one company had just moved its plant over the border into Mexico and continues to operate with practices that could seriously endanger health.

Japan's safety record is good, but not all its regulations and practices would be acceptable in the U. S.

The AFL-CIO should find a ready ally in the British Trades Union Congress, which has long been critical of what it considers are unacceptable safety practices in Europe.

Kirkland said the President should negotiate quotas with Japan. If he had been asked to negotiate on this trip, he would have been able to do so, Kirkland said, because the Japanese have a "keen sense of the long run—the long run survival of industry."

They would be happy to maintain sales at a realistic level, rather than face the possibility of a really substantial loss in the market through protectionism, he said.

Finally, Kirkland blasted those who advise Japanese companies which operate in the U. S.

"The use of non-union labor by Japanese companies is a continuing problem," he said. "There are systematic campaigns to interfere with the rights of workers. The Japanese are the victims of the worst elements in the U. S. scene. These advisers and consultants tell them how to break the law and get away with it."

Although the Japanese listened politely to Kirkland and the EEC delegation, no significant changes can be expected.

## Importers add their endorsement to AUTOCAP

WASHINGTON.—AUTOCAP, the consumer action program started by NADA, has been endorsed by the Automobile Importers of America.

AIA speaks for 16 import companies—all U. S. importers except Volkswagen of America and Mercedes-Benz.

Miller said the endorsement not only strengthens the AUTOCAP program but shows the importers' commitment to customer satisfaction.

Millet added the "wholehearted support" of AUTOCAP's mediation of product and warranty complaints and the support of all import dealers, even those who are not members of NADA.

AUTOCAP, sponsored by NADA, is operated voluntarily by state and local dealer associations. At present there are 29 AUTOCAP units using consumer-dealer panels to mediate disputes, usually those brought against dealerships but sometimes with manufacturers.

## Domestic workers react favorably to Reagan plan

Continued from Page 3

of the Midwest and automotive states in other parts of the country would have reached depression levels last year," said Leonard R. Page, UAW associate general counsel.

"Without this program, most of our members would have exhausted state and unemployment and supplemental unemployment benefits last fall. By now, these hundreds of thousands of workers and their families would have been forced onto already swamped state welfare rolls."

Page said TRA costs should return to past levels of less than $300 million per year by 1982 and warned against making a budget cut decision in the program "based upon current costs."

## VWoA sets up arbitration plan on service gripes

Continued from Page 1

test programs operating in the areas since the fall of 1979.

"Dealers and customers agree that in some cases binding arbitration is the fairest way to resolve tangled differences of opinion," he said. "We've found that both parties feel they've had their 'day in court' regardless of who prevailed in the end. The tests have proven to be a convincing success."

The test plan involved 280 franchised VW and Porsche-Audi dealers. In about 90 percent of the cases, the BBBs were able to settle matters through mediation, rather than binding arbitration, Doerr said.

Doerr estimated that nearly all 1,442 franchised dealers will participate in the arbitration program, but it may take 2½ years before it is available in remote areas.

Doerr said VWoA will expand the program gradually "to make sure they are all capable of doing the mediation and arbitration customers and dealers expect of the program."

## Chevy, Pontiac offer incentives

Continued from Page 3

could go to Europe or Hawaii.

The sales managers of dealerships that win trips—350—will also win their own trips of three days/two nights to Pontiac's full-line announcement show on '82 models next August. It is currently pegged for Las Vegas, but the site could change.

Salespeople are also eligible to win prize-point certificates for merchandise.

There is no enrollment fee for dealers to get into the contest.

### Gunn Buick opens

MARTINSVILLE, Va.—Gunn Buick, Inc., has opened here. The dealership is headed by B. T. (Pete) Gunn.

### Used car sales
Auction Averages

| | |
|---|---|
| February to date | $4,082 |
| Month ago | $4,009 |
| Year ago | $3,241 |

### Model breakdown
Auction Averages

| | February to Date | January | December |
|---|---|---|---|
| 1981 | $7,144 | $7,757 | |
| 1980 | 5,638 | 5,667 | $5,576 |
| 1979 | 4,794 | 4,726 | 4,706 |
| 1978 | 3,725 | 3,585 | 3,610 |
| 1977 | 2,943 | 3,125 | 3,034 |
| 1976 | 2,380 | 2,092 | 1,991 |
| 1975 | 1,615 | 1,541 | 1,628 |
| 1974 | 1,236 | 1,260 | 1,146 |
| Overall Average | $4,082 | $3,981 | $3,589 |

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### Fun in a kit

Thoroughbred Cars, of Sothend, has introduced the Merlin, which can be bought in basic kit form for $8,200. Power units are either European Ford mounted at the front or Volkswagen Beetle mounted at the rear.

### Award for Gardner

John H. Gardner Jr., left, Gardner Buick, Inc., Upper Darby, Pa., receives his 25-year award from G. L. Dower, Buick Philadelphia zone manager.

U. S. makers gain 38 percent

# Week's auto output advances to 133,543

By Patricia Hoffman
Staff Writer

The U. S. auto makers last week showed definite signs of improvement as production rose considerably above the previous week's output.

Production last week was planned at 133,543 units, up 38.34 percent from the 96,531 cars completed the previous week, but down 18.96 percent from the 164,799 assembled in the week ended Feb. 23, 1980.

Breakdown for last week by companies was: General Motors, 83,042 cars, up 38.10 percent from the 60,131 completed the previous week; Ford Motor Co., 28,360, a 57.23 percent increase from the 18,037 of the previous week; Chrysler Corp., 17,430, up 26.68 percent from 13,758, and Volkswagen of America, 4,160, a 0.72 percent increase from the 4,130 cars assembled the week ended Feb. 14.

There is no exact comparison for American Motors because weekly figures are estimated.

Checker Motors built 76 cars last week and none the previous week.

So far this year, the auto makers have assembled 783,028 units, down 22.16 percent from the 1,005,946 units completed the comparable period last year.

Breakdown by companies for the year-to-date is: GM, 66.78 percent; Ford, 17.29 percent; Chrysler, 11.27 percent; American Motors, 1.39 percent; Volkswagen, 3.24 percent, and Checker Motors, 0.03 percent.

GM scheduled Saturday overtime last week at Linden and Tarrytown.

Downtime is slated this week at GM's Baltimore and Leeds plants. Both are scheduled to resume operations March 2.

GM's Janesville plant, down the week of Feb. 16, will resume operations today (Feb. 23).

Ford's Lorain point, down since Feb. 2, will remain idle this week, and Ford's Kansas City point, down since Feb. 9, will also continue downtime this week. Both plants are slated to resume operations March 2.

### Mercedes-Benz names Faber vice president

MONTVALE, N.J.—Mercedes-Benz of North America has named Karl-Heinz Faber vice president, product compliance and service administration. He succeeds Heinz W. Gerth, who has retired.

Faber joined Daimler-Benz AG in 1956 and moved to Mercedes-Benz of North America in 1965.

## U. S. CAR PRODUCTION

| | Week Ended Feb. 21, 1981 | Same Week, Feb. 23, 1980 | Week Ended Feb. 14, 1981 | Feb. To date | Jan. 1, to Feb. 23, 1980 | Jan. 1, to Feb. 21, 1981 |
|---|---|---|---|---|---|---|
| AMERICAN MOTORS | 475* | 4,760* | 475* | 1,425* | 31,766* | 10,890 |
| Eagle | ..... | ..... | ..... | ..... | ..... | ..... |
| Concord | ..... | ..... | ..... | ..... | ..... | ..... |
| AMX | ..... | ..... | ..... | ..... | ..... | ..... |
| Pacer | ..... | ..... | ..... | ..... | ..... | ..... |
| Spirit | ..... | ..... | ..... | ..... | ..... | ..... |
| CHRYSLER CORP. | 17,430 | 11,920 | 13,758 | 46,481 | 89,696 | 88,206 |
| Plymouth Total | 8,630 | 5,050 | 6,854 | 23,561 | 40,553 | 43,765 |
| Horizon | 3,200 | 3,180 | 2,446 | 8,175 | 24,241 | 15,400 |
| Volare | ..... | 950 | ..... | ..... | 12,203 | ..... |
| Gran Fury | 750 | 860 | ..... | 1,538 | 3,493 | 2,027 |
| Caravelle | 80 | 60 | 44 | 124 | 616 | 348 |
| Reliant | 4,600 | ..... | 4,364 | 13,724 | ..... | 25,990 |
| Chrysler Total | 1,750 | 1,870 | 1,060 | 3,284 | 11,426 | 6,583 |
| Chrysler | 550 | 140 | ..... | 1,024 | 2,948 | 1,820 |
| LeBaron | 1,200 | 1,730 | 1,060 | 2,260 | 8,478 | 4,757 |
| Dodge Total | 7,050 | 5,000 | 5,844 | 19,636 | 37,717 | 37,858 |
| Omni | 1,700 | 2,850 | 1,458 | 5,466 | 22,180 | 11,793 |
| St. Regis | 350 | 600 | ..... | 710 | 2,765 | 1,019 |
| Diplomat | 900 | 800 | 622 | 1,522 | 3,648 | 3,144 |
| Aspen | ..... | 750 | ..... | ..... | 9,124 | ..... |
| Aries | 4,100 | ..... | 3,764 | 11,938 | ..... | 21,902 |
| FORD MOTOR | 28,360 | 41,076 | 18,037 | 67,720 | 167,940 | 135,418 |
| Ford Division | 19,484 | 28,068 | 12,144 | 46,119 | 120,488 | 83,748 |
| Pinto | ..... | 2,930 | ..... | ..... | 8,386 | ..... |
| Must./Must. II | 5,429 | 5,168 | 1,171 | 6,600 | 30,811 | 11,999 |
| Fairmont | 1,173 | 6,615 | 1,139 | 6,462 | 32,467 | 20,342 |
| Granada | 2,965 | 3,036 | 364 | 3,628 | 12,431 | 8,794 |
| Thunderbird | ..... | 6,649 | ..... | ..... | 23,069 | 3,025 |
| Ford | 1,704 | 3,670 | 1,701 | 5,100 | 13,324 | 11,874 |
| Escort | 8,213 | ..... | 7,769 | 24,329 | ..... | 27,714 |
| L-M Division | 8,876 | 13,008 | 5,893 | 21,601 | 47,452 | 51,670 |
| Mercury Total | 7,546 | 11,617 | 4,824 | 17,853 | 42,445 | 43,866 |
| Bobcat | ..... | 1,070 | ..... | ..... | 2,050 | ..... |
| Capri | 1,581 | 2,484 | 448 | 2,029 | 10,019 | 3,756 |
| Zephyr | 323 | 2,025 | 372 | 1,851 | 9,783 | 6,205 |
| Cougar/Monarch | 1,503 | 1,553 | 145 | 1,837 | 4,144 | 4,049 |
| XR-7 | ..... | 1,915 | ..... | ..... | 7,174 | 1,645 |
| Mercury | 1,297 | 2,570 | 1,055 | 3,665 | 9,275 | 9,373 |
| Lynx | 2,842 | ..... | 2,804 | 8,471 | ..... | 18,838 |
| Lincoln Total | 1,330 | 1,391 | 1,069 | 3,748 | 5,007 | 7,804 |
| Lincoln | 682 | 513 | 539 | 1,847 | 1,761 | 3,594 |
| Versailles | ..... | 211 | ..... | ..... | 705 | ..... |
| Mark VI | 648 | 667 | 530 | 1,901 | 2,541 | 4,210 |
| GENERAL MOTORS | 83,042 | 101,259 | 60,131 | 222,606 | 693,719 | 522,921 |
| Buick Division | 20,322 | 18,205 | 17,025 | 56,216 | 128,265 | 125,479 |
| Skylark | 5,927 | 4,742 | 5,061 | 16,882 | 36,384 | 36,277 |
| Century | 3,774 | 3,450 | 3,892 | 11,242 | 23,422 | 24,200 |
| Regal | 5,322 | 4,830 | 3,667 | 14,103 | 30,485 | 33,039 |
| Buick | 3,770 | 3,990 | 3,121 | 10,020 | 28,402 | 23,438 |
| Riviera | 1,529 | 1,193 | 1,284 | 3,969 | 9,572 | 8,525 |
| Cadillac Division | 6,646 | 7,264 | 5,800 | 18,351 | 49,677 | 43,728 |
| Seville | 890 | 1,101 | 633 | 2,099 | 8,794 | 4,870 |
| Cadillac | 4,251 | 4,626 | 3,930 | 12,391 | 30,446 | 29,287 |
| Eldorado | 1,505 | 1,537 | 1,237 | 3,861 | 10,437 | 9,571 |
| Chevrolet Division | 29,870 | 43,063 | 17,954 | 80,036 | 291,206 | 184,158 |
| Chevette | 9,030 | 10,870 | ..... | 17,960 | 72,359 | 33,580 |
| Monza ('80) | ..... | 3,059 | ..... | ..... | 22,783 | ..... |
| Camaro | 6,320 | 3,270 | 2,552 | 11,821 | 20,847 | 19,140 |
| Citation | 6,832 | 9,720 | 6,315 | 19,605 | 71,763 | 45,567 |
| Malibu | 4,975 | 6,375 | 2,095 | 12,521 | 37,883 | 33,076 |
| Monte Carlo | 1,913 | 2,765 | 1,585 | 6,361 | 22,295 | 18,869 |
| Chevrolet | ..... | 6,120 | 4,791 | 9,561 | 35,692 | 28,554 |
| Corvette | 800 | 904 | 616 | 2,207 | 7,584 | 5,372 |
| Oldsmobile Division | 18,779 | 17,408 | 14,865 | 51,852 | 124,011 | 127,114 |
| Omega | 3,344 | 2,958 | 2,551 | 9,165 | 19,188 | 20,833 |
| Cutlass | 8,744 | 6,670 | 6,228 | 23,531 | 51,857 | 62,055 |
| Oldsmobile | 5,530 | 6,690 | 5,080 | 16,106 | 44,734 | 37,539 |
| Toronado | 1,161 | 1,090 | 1,006 | 3,048 | 8,232 | 6,687 |
| Pontiac Division | 7,425 | 15,299 | 4,487 | 16,153 | 100,560 | 42,472 |
| Acadian† | 250 | 330 | ..... | 509 | 2,522 | 1,703 |
| Sunbird ('80) | ..... | 3,341 | ..... | ..... | 24,553 | ..... |
| Phoenix | 2,835 | 2,708 | 2,731 | 8,139 | 20,285 | 16,287 |
| Firebird | 920 | 2,490 | 953 | 2,973 | 15,505 | 7,401 |
| LeMans | 880 | 1,635 | 495 | 1,375 | 9,473 | 5,739 |
| Grand Prix | 2,400 | 2,075 | ..... | 2,400 | 12,295 | 9,380 |
| Pontiac | 140 | 2,720 | 308 | 757 | 15,927 | 2,432 |
| VOLKSWAGEN | 4,160 | 5,684 | 4,130 | 12,434 | 22,320 | 25,347 |
| CHECKER | 76 | 100* | ..... | 76 | 505 | 246 |
| Total Cars, U. S. | 133,543 | 164,799 | 96,531 | 350,744 | 1,005,946 | 783,028 |

## CANADIAN CAR PRODUCTION

| | Week Ended Feb. 21, 1981 | Same Week, Feb. 23, 1980 | Week Ended Feb. 14, 1981 | Feb. To date | Jan. 1, to Feb. 23, 1980 | Jan. 1, to Feb. 21, 1981 |
|---|---|---|---|---|---|---|
| AMERICAN MOTORS | 600 | ..... | 608 | 1,795 | ..... | 4,165 |
| CHRYSLER CORP. | ..... | ..... | ..... | 1,732 | 10,756 | 1,732 |
| FORD MOTOR | 1,568 | 6,720 | 838 | 3,558 | 23,911 | 7,715 |
| GENERAL MOTORS | 12,896 | 12,256 | 4,768 | 30,342 | 83,331 | 69,350 |
| VOLVO | 180 | 180 | 225 | 607 | 1,665 | 1,495 |
| Total Cars, Canada | 15,244 | 19,156 | 6,439 | 38,034 | 119,663 | 84,457 |
| N. American Cars | 148,787 | 183,955 | 102,970 | 388,778 | 1,125,609 | 867,485 |
| N. American Trucks | 44,948 | 55,659 | 45,066 | 127,901 | 368,392 | 315,805 |
| North American Cars and Trucks | 193,735 | 239,614 | 148,036 | 516,679 | 1,494,001 | 1,183,290 |

†—All Acadians and Corvettes are built for sale in canada. *—Estimated.

# breaking news

Continued from Page 1

in France. The Del Rey will be built in two-door and four-door versions. In the mid-'50s, Chevrolet called a club coupe in the 210 series the Delray.

### Daihatsu engines for Innocenti

MODENA, Italy.—De Tomaso has come to terms with Daihatsu Motor Co. for the supply of engines for a new model Innocenti that will supplement or replace the Mini.

### $1,000 rebate offered on '80 Spitfires

NEW YORK. — Jaguar Rover Triumph has announced that beginning today (Feb. 23) it will rebate $1,000 on 1980 Triumph Spitfires. The program will run through June 30. The rebate does not apply in California (the 1980 Spitfire was not sold there). Base price of the 1980 Spitfire is $7,365. JRT said the rebate may be applied to the downpayment.

## TRUCK PRODUCTION IN U. S.†

| | Week Ended Feb. 21, 1981 | Same Week, Feb. 23, 1980 | Week Ended Feb. 14, 1981 | Feb. To date | Jan. 1, to Feb. 23, 1980 | Jan. 1, to Feb. 21, 1981 |
|---|---|---|---|---|---|---|
| CHEVROLET | 7,837 | 16,333 | 13,844 | 34,168 | 111,574 | 91,581 |
| DODGE/PLYMOUTH | 1,700 | 1,200 | 1,631 | 3,379 | 18,901 | 8,527 |
| FORD | 14,624 | 17,208 | 7,572 | 30,450 | 96,119 | 70,385 |
| GMC | 2,809 | 3,646 | 4,592 | 12,623 | 27,015 | 31,938 |
| INTERNATIONAL | 1,690 | ..... | 1,618 | 3,308 | ..... | 10,138 |
| MACK | ..... | 625 | ..... | ..... | 4,614 | ..... |
| WHITE | ..... | 186 | ..... | ..... | 1,439 | ..... |
| JEEP | 1,740* | 2,620* | 1,740* | 5,220 | 17,924* | 13,836 |
| AMC CORP. | 85* | 430* | 85* | 255 | 2,346* | 595 |
| VOLKSWAGEN | 1,040 | 612 | 1,020 | 3,062 | 3,066 | 6,069 |
| MISCELLANEOUS | 1,200* | 800 | 1,200* | 3,600 | 6,160 | 7,300 |
| Total Trucks, U. S. | 32,725 | 43,860 | 33,302 | 96,085 | 289,158 | 240,369 |

## CANADIAN TRUCK PRODUCTION

| | Week Ended Feb. 21, 1981 | Same Week, Feb. 23, 1980 | Week Ended Feb. 14, 1981 | Feb. To date | Jan. 1, to Feb. 23, 1980 | Jan. 1, to Feb. 21, 1981 |
|---|---|---|---|---|---|---|
| CHRYSLER CORP. | 1,800 | ..... | 1,308 | 3,080 | 3,097 | 5,921 |
| FORD MOTOR | 4,066 | 4,778 | 3,867 | 8,781 | 28,475 | 23,447 |
| GENERAL MOTORS | 6,310 | 5,902 | 6,345 | 19,193 | 41,260 | 44,196 |
| AMERICAN MOTORS | ..... | 704 | ..... | ..... | 3,999 | ..... |
| INTERNATIONAL | 245 | 290 | 244 | 762 | 1,487 | 1,872 |
| MACK | ..... | 60 | ..... | ..... | 456 | ..... |
| WHITE | ..... | 65 | ..... | ..... | 460 | ..... |
| Total Trucks, Canada | 12,223 | 11,799 | 11,764 | 31,816 | 79,234 | 75,436 |
| N. American Trucks | 44,948 | 55,659 | 45,066 | 127,901 | 368,392 | 315,805 |

†—Ford includes whether was production. *—Estimated.
Jeep includes commercial vehicles only. All General includes government-destined vehicles.

## Truck production for year trails 1980 by 16 pct.

U. S. truck production last week trailed the previous week's output and was 25 percent below that of the comparable 1980 week.

Last week, truck production was slated at 32,725 units, down 1.73 percent from the 33,302 trucks assembled the previous week, and down 25.38 percent from the 43,860 completed in the week ended Feb. 23, 1980.

So far this year, the truck makers have assembled 240,369 units, a 16.87 percent drop from the 289,158 trucks completed in the comparable period last year.

Downtime was slated last week at General Motors' Flint and St. Louis points. St. Louis returns today (Feb. 23). At Flint, Line No. 1 returns March 2 and Line No. 2 returns March 9.

## Auto production rises in Canada as Oshawa works

Canadian auto production last week rose substantially from the previous week's output as operations resumed at General Motors' Oshawa car plant. The plant was down the week of Feb. 9 for inventory adjustments. Oshawa, however, will be down this week.

The planned output last week was 15,244 units, more than double the 6,439 completed in the previous week, but down 20.40 percent from the 19,156 cars assembled in the comparable week last year.

So far this year, the auto makers have built 84,457 units, down 29.42 percent from the 119,663 cars assembled in the year-ago period.

Canadian truck production, with all assembly plants working last week, rose above the previous week's output and the comparable 1980 week.

Truck production last week was slated at 12,223 units, up 3.90 percent from the 11,764 truck assembled in the previous week, and an increase of 3.59 percent from the 11,799 units completed in the comparable week last year.

The year-to-date output for the truck makers is 75,436 units, down 4.79 percent from the 79,234 trucks completed in the comparable period last year.

Downtime was scheduled last week at Volvo's Halifax car point and Chrysler's Windsor car plant. Both are slated to resume operations today (Feb. 23).